



Journal of the House

State of Indiana

114th General Assembly

Second Regular Session

Twenty-first Meeting Day


Thursday Afternoon


February 23, 2006

The House convened at 1:30 p.m. with Speaker Brian C. Bosma in the Chair.

The Pledge of Allegiance to the Flag was led by Representative Vanessa Summers.

The Speaker ordered the roll of the House to be called:

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|---|-------------|
| Aguilera | Koch |
| Austin | Kromkowski |
| Avery | Kuzman |
| Ayres | L. Lawson |
| Bardon | Lehe |
| Bauer | Leonard |
| Behning | J. Lutz |
| Bell | Mahern |
| Bischoff | Mays |
| Borders | McClain |
| Borror | Messer |
| C. Bottorff | Micon |
| Bright | Moses |
| C. Brown | Murphy |
| T. Brown | Neese |
| Buck | Noe |
| Budak | Orentlicher |
| Buell | Oxley |
| Burton | Pelath |
| Cheney | Pflum |
| Cherry | Pierce |
| Cochran | Pond |
| Crawford | Porter |
| Crooks | Reske |
| Crouch | Richardson |
| Davis | Ripley |
| Day | Robertson |
| Denbo | Ruppel |
| Dickinson | Saunders |
| Dobis | J. Smith |
| Dodge | V. Smith |
| Duncan | Stevenson |
| Dvorak | Stilwell |
| Espich | Stutzman |
| Foley | Summers |
| Friend | Thomas |
| Frizzell | Thompson |
| Fry | Tincher |
| GiaQuinta  | Torr |
| Goodin | Turner |
| Grubb | Tyler |
| Gutwein | Ulmer |
| E. Harris | VanHaften |
| T. Harris | Walorski |
| Heim | Welch |
| Hinkle | Whetstone |
| Hoffman | Wolkins |
| Hoy | Woodruff |
| Kersey | Yount |
| Klinker | Mr. Speaker |

Roll Call 226: 99 present; 1 excused. The Speaker announced a quorum in attendance. [NOTE:  indicates those who were excused.]

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 42 and 45 and the same are herewith returned to the House.

MARY C. MENDEL
Principal Secretary of the Senate

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred Engrossed Senate Bill 33, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 8, nays 0.

BUDAK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 35, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 4, delete "government" and insert "**governmental**".

Page 1, line 7, after "approval" insert "**of a land use or an approval**".

Page 2, line 2, delete "government" and insert "**governmental**".

Page 2, line 4, delete "is" and insert ", **and the granting of any secondary, additional, or related permits or approvals required from the same local governmental agency with respect to the general subject matter of the application for the first permit, are**".

Page 2, line 8, after "pending" insert ", **or before the issuance of any secondary, additional, or related permits or approvals or while the secondary, additional, or related permit or approval process is pending**".

Page 2, line 9, after "permit" insert "**or approval**".

Page 2, line 11, after "body." insert "**However, this subsection does not apply if:**

(1) **the development or other activity to which the permit relates is not commenced within five (5) years after the permit issued; or**

(2) **the development or other activity to which the permit relates is not completed within ten (10) years after the development or activity is commenced.**".

Page 2, line 26, delete "within ninety".

Page 2, delete lines 27 through 28.

Page 2, line 29, delete "development, building, or structure or".

Page 2, run in lines 26 through 29.

Page 3, line 8, delete "or as the result" and insert ". **However, this subsection does not apply if:**

(1) **the development or other activity to which the permit or approval request relates is not commenced within five (5) years after the permit issued; or**

(2) **the development or other activity to which the permit or approval request relates is not completed within ten (10) years after the development or activity is commenced.**".

Page 3, delete lines 9 through 14.

(Reference is to SB 35 as reprinted February 2, 2006.)
and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 4.

HINKLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Engrossed Senate Bill 39, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 11, nays 0.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred Engrossed Senate Bill 132, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 85, line 6, strike "has" and insert "have".

Page 125, line 15, after "is" insert ":

(i) for purposes of IC 31-19, IC 31-26, IC 31-33, IC 31-34, IC 31-37, and IC 31-38-2-13.5,".

Page 125, line 18, strike "and" and insert "or

(ii) for purposes of IC 31-27, an applicant, or if the applicant is an organization, the director or a manager of a facility where children will be placed, an employee, or a volunteer who has or will have direct contact, on a regular and continuing basis, with children who are under the direct supervision of a person required to be licensed under IC 31-27; and".

Page 125, line 25, delete ":

Page 125, line 26, strike "(A)".

Page 125, run in lines 25 through 26.

Page 125, line 29, delete ";" and insert ":

Page 125, line 29, strike "and".

Page 125, strike lines 30 through 33.

Page 195, line 22, delete "(b)(1) and (b)(2)." and insert "(b)".

Page 203, line 7, delete "must submit the necessary information, forms," and insert "shall:

(1) conduct a criminal history check of:

(A) each individual who is an applicant; and

(B) the director or manager of a facility where children will be placed; and

(2) submit to the department the result of each criminal history check conducted under this subsection."

Page 203, delete line 8.

Page 203, line 10, delete ", as defined by".

Page 203, line 11, delete "IC 31-9-2-22.5,".

Page 203, line 11, delete "applicant's employees and volunteers." and insert "applicant's:

(A) employees; and

(B) volunteers;

who have or will have direct contact, on a regular and continuing basis, with children who are or will be under the direct supervision of the applicant."

Page 203, between lines 12 and 13, begin a new paragraph and insert:

"(f) An applicant is required to conduct a criminal history check required under subsection (e)(1) only one (1) time.

(g) The department shall, at the applicant's request, inform the applicant whether the department has or does not have a record of the person who is the subject of a criminal history background check and if the department has identified the person as an alleged perpetrator of abuse or neglect. The department may not provide to the applicant any details or personally identifying information contained in any child protective services investigation report."

Page 203, line 29, after "5." insert "(a)".

Page 203, line 32, after "by" insert ":

(A)".

Page 203, line 32, after "applicant" delete "." and insert ";

(B) an employee of the applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant; or
(C) a volunteer of the applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant."

Page 203, line 34, delete "applicant," and insert "applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant,".

Page 203, line 35, delete "contact" and insert "contact, on a regular and continuous basis,".

Page 204, between lines 3 and 4, begin a new paragraph and insert: "(b) Notwithstanding subsection (a)(2), if:

(1) a license application is denied due to a criminal conviction of an employee or a volunteer of the applicant; and

(2) the department determines that the employee or volunteer has been dismissed by the applicant; the criminal conviction of the former employee or former volunteer does not require denial of a license application."

Page 208, line 25, after "by" insert ":

(A)".

Page 208, line 25, after "licensee" delete "." and insert ";

(B) an employee of the licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee; or
(C) a volunteer of the licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee."

Page 208, line 27, delete "licensee," and insert "licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee,".

Page 208, line 27, delete "contact" and insert "contact, on a regular and continuous basis,".

Page 212, line 19, delete "check." and insert "check for each individual who is an applicant."

Page 212, line 22, delete "applicant's employees and volunteers at the home," and insert "applicant's:

(i) employees; and

(ii) volunteers;

who have or will have direct contact, on a regular and continuing basis, with children who are or will be under the direct supervision of the applicant; and"

Page 212, delete line 23.

Page 212, line 24, delete "eighteen (18)" and insert "fourteen (14)".

Page 212, between lines 25 and 26, begin a new line block indented and insert:

"(2) Maintain records of each criminal history check.

(f) An applicant is required to conduct a criminal history check required under subsection (e)(1) only one (1) time.

(g) The department shall, at the applicant's request, inform the applicant whether the department has or does not have a record of the person who is the subject of a criminal history background check and if the department has identified the person as an alleged perpetrator of abuse or neglect. The department may not provide to the applicant any details or personally identifying information contained in any child protective investigation report."

Page 212, line 26, after "6." insert "(a)".

Page 212, line 29, after "by" insert ":

(A)".

Page 212, line 29, after "applicant" delete "." and insert ";

(B) an employee of the applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant; or
(C) a volunteer of the applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant."

Page 212, line 31, before "or" insert "who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant,".

Page 212, line 31, before "volunteer" insert "a".

Page 212, line 31, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 212, after line 42, begin a new paragraph and insert:

"(b) Notwithstanding subsection (a)(2), if:

(1) a license application is denied due to a criminal conviction of an employee or a volunteer of the applicant; and

(2) the department determines that the employee or volunteer has been dismissed by the applicant; the criminal conviction of the former employee or former volunteer does not require denial of a license application."

Page 218, line 3, after "by" insert ":

(A)".

Page 218, line 3, after "licensee" delete "." and insert ";

(B) an employee of the licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee; or

(C) a volunteer of the licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee."

Page 218, line 5, delete "licensee," and insert **"licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee,"**.

Page 218, line 5, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 221, line 37, delete "must submit the necessary information, forms," and insert **"shall:**

(1) conduct a criminal history check of:

(A) each individual who is an applicant; and

(B) the director or manager of a facility where children will be placed; and

(2) submit to the department the result of each criminal history check conducted under this subsection."

Page 221, delete line 38.

Page 221, line 40, delete "applicant's" and insert **"applicant's:**

(A) employees; and

(B) volunteers;

who have or will have direct contact, on a regular and continuing basis, with children who are or will be under the direct supervision of the applicant."

Page 221, delete line 41.

Page 221, after line 42, begin a new paragraph and insert:

"(f) An applicant is required to conduct a criminal history check required under subsection (e)(1) only one (1) time for each employee or volunteer.

(g) The department shall, at the applicant's request, inform the applicant whether the department has or does not have a record of the person who is the subject of a criminal history background check and if the department has identified the person as an alleged perpetrator of abuse or neglect. The department may not provide to the applicant any details or personally identifying information contained in any child protective investigation report."

Page 222, line 16, after "6." insert **"(a)".**

Page 222, line 19, after "by" insert ":

(A)".

Page 222, line 19, after "applicant" delete "." and insert ";

(B) an employee of the applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant; or

(C) a volunteer of the applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant."

Page 222, line 21, delete "applicant," and insert **"applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant,"**.

Page 222, line 22, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 222, between lines 32 and 33, begin a new paragraph and insert:

"(b) Notwithstanding subsection (a)(2), if:

(1) a license application is denied due to a criminal

conviction of an employee or a volunteer of the applicant; and

(2) the department determines that the employee or volunteer has been dismissed by the applicant; the criminal conviction of the former employee or former volunteer does not require denial of a license application."

Page 227, line 9, after "by" insert ":

(A)".

Page 227, line 9, after "licensee" delete "." and insert ";

"(B) an employee of the licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee; or

(C) a volunteer of the licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee."

Page 227, line 11, delete "licensee," and insert **"licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee,"**.

Page 227, line 11, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 229, line 2, delete "must submit the necessary information, forms," and insert **"shall:**

(1) conduct a criminal history check of:

(A) each individual who is an applicant, and

(B) the director or manager of a facility where children will be placed; and

(2) submit to the department the result of each criminal history check conducted under this subsection."

Page 229, delete line 3.

Page 229, line 5, delete "applicant's" and insert **"applicant's:**

(A) employees; and

(B) volunteers;

who have or will have direct contact, on a regular and continuing basis, with children who are or will be under the direct supervision of the applicant."

Page 229, delete line 6.

Page 229, between lines 7 and 8, begin a new paragraph and insert:

"(f) An applicant is required to conduct a criminal history check required under subsection (e)(1) only one (1) time for each employee or volunteer.

(g) The department shall, at the applicant's request, inform the applicant whether the department has or does not have a record of the person who is the subject of a criminal history background check and if the department has identified the person as an alleged perpetrator of abuse or neglect. The department may not provide to the applicant any details or personally identifying information contained in any child protective investigation report."

Page 229, line 8, after "3." insert **"(a)".**

Page 229, line 11, after "by" insert ":

(A)".

Page 229, line 11, after "applicant" delete "." and insert ";

(B) an employee of the applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant; or

(C) a volunteer of the applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant."

Page 229, line 12, delete "licensee," and insert **"applicant,"**.

Page 229, line 13, delete "licensee," and insert **"applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant,"**.

Page 229, line 13, after "the" delete "licensee" and insert **"applicant"**.

Page 229, line 13, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 229, line 15, delete "licensee," and insert **"applicant,"**.

Page 229, between lines 24 and 25, begin a new paragraph and insert:

"(b) Notwithstanding subsection (a)(2), if:

(1) a license application is denied due to a criminal conviction of an employee or a volunteer of the applicant; and

(2) the department determines that the employee or volunteer has been dismissed by the applicant; the criminal conviction of the former employee or former volunteer does not require denial of a license application."

Page 233, line 35, after "by" insert ":

(A)".

Page 233, line 35, after "licensee" delete "." and insert ";

(B) **an employee of the licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee; or**

(C) **a volunteer of the licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee."**

Page 233, line 37, delete "licensee," and insert **"licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee,"**.

Page 233, line 37, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 309, after line 37, begin a new paragraph and insert:

"SECTION 378. [EFFECTIVE UPON PASSAGE] (a) On June 30, 2006, the balance of the child care fund established by IC 12-17.2-2-3, before its amendment by this act, shall be transferred to the division of family resources child care fund established by IC 12-17.2-2-3, as amended by this act.

(b) This SECTION expires January 1, 2007.

SECTION 379. An emergency is declared for this act."

Re-number all SECTIONS consecutively.

(Reference is to SB 132 as reprinted January 31, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

WALORSKI, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred Engrossed Senate Bill 139, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 3. IC 10-13-3-27.5, AS ADDED BY P.L.234-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 27.5. (a) If:

(1) exigent circumstances require the emergency placement of a child; and

(2) the department will be unable to obtain criminal history information from the Interstate Identification Index before the emergency placement is scheduled to occur;

upon request of the department of child services established by IC 31-33-1.5-2, a caseworker, or a juvenile probation officer, the department may conduct a national name based criminal history record check of each individual who is currently residing in the location designated as the out-of-home placement at the time the child will reside in the location. The department shall promptly transmit a copy of the report it receives from the Interstate Identification Index to the agency or person that submitted a request under this section.

(b) Not later than seventy-two (72) hours after the department of child services, the caseworker, or the juvenile probation officer receives the results of the national name based criminal history record check, the department of child services, the caseworker, or the juvenile probation officer shall provide the department with a complete set of fingerprints for each individual who is currently residing in the location designated as the out-of-home placement at the time the child will be placed in the location. The department shall:

(1) use fingerprint identification to positively identify each individual who is currently residing in the location designated as the out-of-home placement at the time the child will reside in the location; or

(2) submit the fingerprints to the Federal Bureau of Investigation not later than fifteen (15) calendar days after the date on which the national name based criminal history record check was conducted.

The child shall be removed from the location designated as the out-of-home placement if an individual who is currently residing in the location designated as the out-of-home placement at the time the child will reside in the location fails to provide a complete set of fingerprints to the department of child services, the caseworker, or the juvenile probation officer.

(c) The department and the person or agency that provided fingerprints shall comply with all requirements of 42 U.S.C. 5119a and any other applicable federal law or regulation regarding:

(1) notification to the subject of the check; and

(2) the use of the results obtained based on the check of the person's fingerprints.

(d) If an out-of-home placement is denied as the result of a national name based criminal history record check, an individual who is currently residing in the location designated as the out-of-home placement at the time the child will reside in the location may contest the denial by submitting to the department of child services, the caseworker, or the juvenile probation officer:

(1) a complete set of the individual's fingerprints; and

(2) written authorization permitting the department of child services, the caseworker, or the juvenile probation officer to forward the fingerprints to the department for submission to the Federal Bureau of Investigation;

not later than five (5) days after the out-of-home placement is denied.

(e) The:

(1) department; and

(2) Federal Bureau of Investigation;

may charge a reasonable fee for processing a national name based criminal history record check. The department shall adopt rules under IC 4-22-2 to establish a reasonable fee for processing a national name based criminal history record check and for collecting fees owed under this subsection.

(f) The:

(1) department of child services, for an out-of-home placement arranged by a caseworker or the department of child services; or

(2) juvenile court, for an out-of-home placement ordered by the juvenile court;

shall pay the fee described in subsection (e), arrange for fingerprinting, and pay the costs of fingerprinting, if any."

Page 2, line 31, after "IC 31-9-2-14) by" insert ":

(A)".

Page 2, line 31, after "applicant" delete "," and insert ";

Page 2, line 31, before "an employee" delete "by", begin a new line double block indented and insert:

"(B)".

Page 2, line 32, delete "applicant, or by" and insert **"applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant; or (C)".**

Page 2, line 33, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 2, line 36, delete "applicant," and insert **"applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant,"**.

Page 2, line 37, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 3, line 22, after "by" insert ":

(A)".

Page 3, line 23, delete "licensee, by" and insert "licensee;

(B)".

Page 3, line 23, delete "licensee, or by" and insert **"licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee; or (C)".**

Page 3, line 24, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 3, line 27, delete "licensee," and insert **"licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee,"**.

Page 3, line 27, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 4, line 26, after "IC 31-9-2-14) by" insert ":

(A)".

Page 4, line 26, after "applicant" delete "," and insert ";".

Page 4, line 26, before "an employee" delete "by", begin a new line double block indented and insert:

"(B)".

Page 4, line 27, delete "applicant, or by" and insert **"applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant; or (C)".**

Page 4, line 28, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 4, line 31, delete "applicant," and insert **"applicant who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the applicant,"**.

Page 4, line 32, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 5, line 22, after "by" insert ":

(A)".

Page 5, line 23, before "an employee" delete "," and insert ";

(B)".

Page 5, line 23, delete "'licensee, or" and insert **"licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee; or (C)".**

Page 5, line 24, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 5, line 27, delete "licensee," and insert **"licensee who has direct contact, on a regular and continuous basis, with children who are under the direct supervision of the licensee,"**.

Page 5, line 27, delete "contact" and insert **"contact, on a regular and continuous basis,"**.

Page 14, line 30, delete "test." and insert **"test, and the test indicates that the man is excluded as the father of the child."**

Page 14, line 42, delete "If" and insert **"Except as provided in this section, if"**.

Page 15, line 10, delete "JULY 1, 2006]:" and insert **"UPON PASSAGE]:"**.

Page 16, delete lines 23 through 32.

Page 19, line 20, strike "and investigators".

Page 19, line 22, after "caseworker" insert ";

Page 19, line 22, strike "or investigator";.

Page 19, delete line 27, begin a new line double block indented and insert:

"who is the subject of a case described in clause (A)".

Page 19, line 30, strike "or an investigator".

Page 19, delete line 35, begin a new line double block indented and insert:

"who is the subject of a case described in clause (A) or clause (B)".

Page 19, line 37, strike "case" and insert **"child"**.

Page 20, line 18, delete "Unless" and insert **"(a) Except as provided in subsection (b), unless"**.

Page 20, line 20, delete "forty-five (45)" and insert **"sixty (60)"**.

Page 20, between lines 22 and 23, begin a new paragraph and insert:

"(b) The juvenile court may extend the time to complete a factfinding hearing, as described in subsection (a), for an additional sixty (60) days if all parties in the action consent to the additional time."

Page 22, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 42. IC 31-34-21-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1 2006]: Sec. 1. (a) At any time after the date of an original dispositional decree, the juvenile court may order

(1) the county office of family and children or

(2) the probation department;

to file a report on the progress made in implementing the decree.

(b) The juvenile court shall order the department of child services to file a report on the progress made in implementing the decree every three (3) months after the dispositional decree is entered.

(c) If, after reviewing the report, the juvenile court seeks to

consider modification of the dispositional decree, the juvenile court shall proceed under IC 31-34-23."

Page 22, line 17, reset in roman "six (6)".

Page 22, line 17, delete "three (3)".

Page 22, line 20, reset in roman "six (6)".

Page 22, line 20, delete "three (3)".

Page 22, line 22, reset in roman "six (6)".

Page 22, line 22, delete "three (3)".

Page 22, between lines 26 and 27, begin a new paragraph and insert:

"(d) The court may perform a periodic case review any time after a progress report is filed as described in section 1 of this chapter."

Page 25, after line 17, begin a new paragraph and insert:

"SECTION 49. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to SB 139 as reprinted January 27, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

BUDAK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred Engrossed Senate Bill 151, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 2.

BUDAK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 192, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 193, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 37 and 38, begin a new paragraph and insert: **"SECTION 4. IC 9-13-2-86 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 86. "Intoxicated" means under the influence of:**

(1) alcohol;

(2) a controlled substance (as defined in IC 35-48-1);

(3) a drug other than alcohol or a controlled substance; or

(4) a substance described in IC 35-46-6-2 or IC 35-46-6-3; or

(5) a combination of ~~alcohol; controlled substances; or drugs~~ substances described in subdivisions (1) through (4); so that there is an impaired condition of thought and action and the loss of normal control of a person's faculties."

Page 26, between lines 15 and 16, begin a new paragraph and insert:

"SECTION 18. IC 35-46-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. A person who, with intent to cause a condition of intoxication, euphoria, excitement, exhilaration, stupefaction, or dulling of the senses, ingests or inhales the fumes of:

(1) model glue; or

(2) a substance that contains:

(A) toluene;

(B) acetone;

(C) benzene;

- (D) N-butyl nitrite;
- (E) any aliphatic nitrite, unless prescribed by a physician; or
- (F) butane;
- (G) amyl butrate; or**
- (H) isobutyl nitrate;**

commits a Class B misdemeanor."

Renumber all SECTIONS consecutively.

(Reference is to SB 193 as printed January 27, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 201, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 8, nays 0.

HINKLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 202, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 12, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 12. IC 25-26-13-33 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 33. (a) As used in this section, "self-service display" means a display that contains cigarettes in an area where a customer:

(1) is permitted; and

(2) has access to the cigarettes without assistance from a sales person.

(b) This section does not apply to a self-service display located in a pharmacy or other retail establishment that:

(1) has a primary purpose to sell cigarettes; and

(2) prohibits entry by persons who are less than eighteen (18) years of age.

(c) The owner of a pharmacy or other retail establishment that sells or distributes cigarettes through a self-service display, other than a coin operated machine operated under IC 35-46-1-11 or IC 35-46-1-11.5, commits a Class C infraction.

(d) Notwithstanding IC 34-28-5-4(c), civil penalties collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund (IC 7.1-6-2-6)."

Page 32, line 19, delete "IC 25-26-14-15.5;"

Renumber all SECTIONS consecutively.

(Reference is to SB 202 as printed January 27, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 1.

T. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 266, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, after "(a)" insert "As used in this section, "major complication" means a complication from surgical treatment for morbid obesity that:

(1) requires an extended hospitalization, additional surgical treatment, or invasive drug therapy within thirty (30) days of the original surgical treatment; or

(2) results in a permanent disability.

(b) As used in this section, "serious side effect" means a

nutritional deficiency that requires hospitalization or invasive therapy.

(c)".

Page 1, line 5, delete ":" and insert "do the following:

(1) Before performing surgery, discuss the following with the patient:

(A) The requirements to qualify for the surgery.

(B) The details of the surgery.

(C) The possible complications from the surgery.

(D) The side effects from the surgery, including lifestyle changes and dietary protocols."

Page 1, line 6, strike "(1)" and insert "(2)".

Page 1, line 6, delete "monitor" and insert "Monitor".

Page 1, line 8, delete ";" and insert ".".

Page 1, line 8, strike "and".

Page 1, line 9, strike "(2)" and insert "(3)".

Page 1, line 9, delete "report" and insert "Report".

Page 1, line 12, after "death" insert ",".

Page 1, line 12, strike "or".

Page 1, line 12, after "serious" insert "side effect, or major".

Page 1, line 14, strike "(b)" and insert "(d)".

Page 1, line 14, strike "in subsection (a)" and insert "by subsection (b)(2)".

Page 2, line 2, after "death" insert ", serious side effect,".

Page 2, line 2, after "or" insert "major".

Page 2, line 3, after "death" insert ", serious side effect,".

Page 2, line 3, after "or" insert "major".

Page 2, between lines 3 and 4, begin a new line block indented and insert:

"(5) The comorbidities, body mass index, and waist circumference of the patient:

(A) at the time of the surgical treatment; and

(B) thirty (30) days, ninety (90) days, and one (1) year after surgical treatment.

(6) Whether the patient has had previous abdominal surgery."

Page 2, line 9, strike "section 2(a)(2)" and insert "section 2(c)(3)".

Page 2, line 12, delete "2(a)(2)" and insert "2(c)(3)".

Page 2, after line 15, begin a new paragraph and insert:

"SECTION 3. IC 27-8-14.1-4, AS AMENDED BY P.L.196-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) Except as provided in subsection (b), an insurer that issues an accident and sickness insurance policy shall offer coverage for nonexperimental, surgical treatment by a health care provider of morbid obesity:

(1) that has persisted for at least five (5) years; and

(2) for which nonsurgical treatment that is supervised by a physician has been unsuccessful for at least ~~eighteen (18)~~ six (6) consecutive months.

(b) An insurer that issues an accident and sickness insurance policy may not provide coverage for a surgical treatment of morbid obesity for an insured who is less than twenty-one (21) years of age unless two (2) physicians licensed under IC 25-22.5 determine that the surgery is necessary to:

(1) save the life of the insured; or

(2) restore the insured's ability to maintain a major life activity (as defined in IC 4-23-29-6);

and each physician documents in the insured's medical record the reason for the physician's determination.

SECTION 4. IC 27-13-7-14.5, AS AMENDED BY P.L.196-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 14.5. (a) As used in this section, "health care provider" means a:

(1) physician licensed under IC 25-22.5; or

(2) hospital licensed under IC 16-21;

that provides health care services for surgical treatment of morbid obesity.

(b) As used in this section, "morbid obesity" means:

(1) a body mass index of at least thirty-five (35) kilograms per meter squared with comorbidity or coexisting medical conditions such as hypertension, cardiopulmonary conditions, sleep apnea, or diabetes; or

(2) a body mass index of at least forty (40) kilograms per meter

squared without comorbidity.

For purposes of this subsection, body mass index equals weight in kilograms divided by height in meters squared.

(c) Except as provided in subsection (d), a health maintenance organization that provides coverage for basic health care services under a group contract shall offer coverage for nonexperimental, surgical treatment by a health care provider of morbid obesity:

- (1) that has persisted for at least five (5) years; and
- (2) for which nonsurgical treatment that is supervised by a physician has been unsuccessful for at least ~~eighteen (18)~~ **six (6)** consecutive months.

(d) A health maintenance organization that provides coverage for basic health care services may not provide coverage for surgical treatment of morbid obesity for an enrollee who is less than twenty-one (21) years of age unless two (2) physicians licensed under IC 25-22.5 determine that the surgery is necessary to:

- (1) save the life of the enrollee; or
- (2) restore the enrollee's ability to maintain a major life activity (as defined in IC 4-23-29-6);

and each physician documents in the enrollee's medical record the reason for the physician's determination."

(Reference is to SB 266 as printed January 27, 2006.)
and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

T. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 270, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 2-5-23-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 21. Not more than thirty (30) days after a change to the state Medicaid plan for the Medicaid program, the office of Medicaid policy and planning shall submit a report of the change to the commission and the legislative council in an electronic format under IC 5-14-6.**"

Page 22, line 1, delete "This section applies after" and insert: **"If approved by the office, a managed care organization may adopt a plan for the collection of a copayment for services that are provided to a Medicaid recipient in an emergency room.**

(b) Each managed care organization must adopt a plan that includes the following components:

- (1) The education of Medicaid recipients concerning how a recipient may access health care services and modifications to the recipient's health plan.**
- (2) Procedures to track visits to emergency rooms by Medicaid recipients.**
- (3) Alternative sites for Medicaid recipients to receive health care services.**
- (4) Methods to clearly identify a Medicaid recipient's current status to a provider who is not a member of the recipient's managed care organization.**
- (5) Procedures to pay for professional services provided to screen a Medicaid recipient who seeks services in an emergency room.**
- (6) Protocols for dispute resolution between the managed care organization and providers."**

Page 22, delete lines 2 through 15.

Page 28, line 7, delete "not" and insert **"Not"**.

Page 28, after line 41, begin a new paragraph and insert:

"SECTION 54. [EFFECTIVE JULY 1, 2006] (a) The office of Medicaid policy and planning shall do the following:

- (1) Study possible changes to the state Medicaid program or other new programs that would limit or restrict a future increase in the number of Medicaid recipients in health facilities licensed under IC 16-28.**
- (2) Prepare a comprehensive cost comparison of Medicaid**

and Medicaid waiver services and other expenditures in the following settings:

- (A) Home care.**
- (B) Community care.**
- (C) Health facilities.**

The cost comparison must include a comparison of similar services that are provided in the different settings.

(b) Before October 1, 2006, the office of Medicaid policy and planning shall report its findings under subsection (a) to the select joint commission on Medicaid oversight established by IC 2-5-26-3.

(c) This SECTION expires January 1, 2007."

Renumber all SECTIONS consecutively.

(Reference is to SB 270 as reprinted February 2, 2006.)
and when so amended that said bill do pass.

Committee Vote: yeas 4, nays 3.

T. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 275, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 8, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Engrossed Senate Bill 324, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-13-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 1. (a) All public funds paid into the treasury of the state or the treasuries of the respective political subdivisions shall be deposited not later than the business day following the receipt of funds on business days of the depository in one (1) or more depositories in the name of the state or political subdivision by the officer having control of the funds.**

(b) Except as provided in subsection (d), all public funds collected by state officers, other than the treasurer of state, shall be deposited with the treasurer of state, or an approved depository selected by the treasurer of state not later than the business day following the receipt of the funds. The treasurer of state shall deposit daily on business days of the depository all public funds deposited with the treasurer of state. Deposits do not relieve any state officer from the duty of maintaining a cashbook under IC 5-13-5-1.

(c) Except as provided in subsection (d), all local officers, except township trustees, who collect public funds of their respective political subdivisions, shall deposit funds not later than the business day following the receipt of funds on business days of the depository in the depository or depositories selected by the several local boards of finance that have jurisdiction of the funds. The public funds collected by township trustees shall be deposited in the designated depository on or before the first and fifteenth day of each month. Public funds deposited under this subsection shall be deposited in the same form in which they were received.

(d) A city (other than a consolidated city) or a town shall deposit funds not later than the next business day following the receipt of the funds in depositories:

- (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and**
- (2) approved as depositories of state funds.**

(e) All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories.

(f) An office of:

(1) the department of natural resources; or

(2) the department of state revenue;

that is detached from the main office of the department is not required to deposit funds on the business day following receipt if the funds on hand do not exceed one hundred dollars (\$100). However, the office must deposit the funds on hand not later than the business day following the day that the funds exceed one hundred dollars (\$100).

(g) A public school, including a charter school, is not required to deposit funds on the business day following receipt if the funds on hand do not exceed two hundred dollars (\$200). However, the public school, including a charter school, must deposit the funds on hand not later than the business day following the day that the funds exceed two hundred dollars (\$200)."

Page 1, line 6, delete ":" and insert "grade 7 or".

Page 1, delete lines 7 through 8.

Page 1, line 9, delete "school year,".

Page 1, line 9, reset in roman "grade 8".

Page 1, line 9, delete "grade 7;".

Page 1, run in lines 6 through 10.

Page 3, between lines 30 and 31, begin a new paragraph and insert:
"SECTION 5. IC 20-19-5-1, AS ADDED BY P.L.234-2005, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. The department of education, in cooperation with the department of child services, the department of correction, and the division of mental health and addiction, shall:

(1) develop and coordinate the children's social, emotional, and behavioral health plan that is to provide recommendations concerning:

(A) comprehensive mental health services;

(B) early intervention; and

(C) treatment services;

for individuals from birth through twenty-two (22) years of age;

(2) make recommendations to the state board ~~which shall adopt rules under IC 4-22-2 for the state board's approval~~ concerning the children's social, emotional, and behavioral health plan; and

(3) conduct hearings on the implementation of the plan. ~~before adopting rules under this chapter.~~

SECTION 6. IC 20-19-5-3, IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) **This chapter does not authorize or permit the:**

(1) department of education;

(2) department of child services;

(3) department of correction; or

(4) division of mental health and addiction;

to require a child to participate in any social, emotional, behavioral, or mental health psychological or similar screening, evaluation, assessment, or examination described in this chapter without the prior written informed consent of the child's parent.

(b) Any psychological or similar screening administered under this chapter may not be used for diagnostic purposes.

(c) The department of education, department of child services, department of correction, or division of mental health and addiction (whichever is applicable) shall give parents and students notice of their rights under this chapter."

Page 4, line 42, delete "The following apply to a deregulated school corporation:" and insert "(a) **The following statutes as in effect on January 1, 2006, and any rules or guidelines adopted by the state board or the advisory board of the division of professional standards under these statutes and in effect on January 1, 2006, do not apply to a deregulated school corporation unless the deregulated school corporation elects to have one (1) or more of the statutes, rules, or guidelines apply to the deregulated school corporation:**

(1) IC 20-20-1; IC 20-20-3 through IC 20-20-7; and IC 20-20-9 through IC 20-20-32 (programs administered by the state).

(2) IC 20-28-11-1 through IC 20-28-11-2; and IC 20-28-11-4 through IC 20-28-11-8 (staff performance evaluation).

(3) IC 20-30-4-1 through IC 20-30-4-2; and IC 20-30-4-4 through IC 20-30-4-5 (student career plan).

(4) IC 20-30-5-7 through IC 20-30-9-14; and IC 20-30-12

through IC 20-30-15 (curriculum).

(5) IC 20-31-4 (performance based accreditation).

(6) IC 20-33-6 (parental participation in a student's education).

(7) IC 20-34-1 (AIDS advisory council).

(8) IC 20-38 (educational compacts).

(b) If a statute, rule, or guideline described in subsection (a) is amended after January 1, 2006, the amendment to the statute, rule, or guideline applies to a deregulated school corporation unless the general assembly specifies that the amendment to the statute, rule, or guideline does not apply to a deregulated school corporation."

Delete page 5.

Page 6, delete lines 1 through 15.

Page 7, delete lines 3 through 14.

Page 7, line 15, delete "Sec. 7." and insert "Sec. 6.".

Page 7, line 25, delete "Sec. 8." and insert "Sec. 7.".

Page 8, line 14, delete "501 (c)(3)" and insert "501(c)(3)".

Page 14, line 41, delete "paying" and insert "paving".

Page 15, line 6, delete "(a)".

Page 15, delete lines 13 through 32.

Page 16, line 6, delete "or" and insert "and".

Page 16, line 7, after "a" insert "registered nurse".

Page 16, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 21. [EFFECTIVE JULY 1, 2006] Notwithstanding IC 20-19-5, as amended by this act, the children's social, emotional, and behavioral health plan created under IC 20-19-5 must be submitted in an electronic format under IC 5-14-6 to the general assembly through the legislative council not later than December 1, 2006. The plan must be submitted under this SECTION before the plan is implemented. The plan may not be implemented until the general assembly enacts legislation to implement the plan."

Renumber all SECTIONS consecutively.

(Reference is to SB 324 as printed January 27, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 5.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 342, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 2, delete "IC 34-30-2-152.3" and insert "IC 34-30-2-152.5".

Page 2, line 4, delete "152.3." and insert "152.5".

Page 6, line 27, delete "shall" and insert "must".

Page 10, line 5, delete "An" and insert "A law enforcement officer who is an"

Page 10, delete lines 23 through 24.

Page 10, line 25, delete "only be released" and insert "be released only".

Page 10, line 27, after "for" insert "providing".

(Reference is to SB 342 as reprinted February 1, 2006.)
and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

T. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 353, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 8 through 17.

Delete pages 2 through 4.

Page 5, delete lines 1 through 4.

Page 5, line 14, delete "[EFFECTIVE]" and insert "[EFFECTIVE

UPON PASSAGE]".

Page 5, line 15, delete "JANUARY 1, 2006 (RETROACTIVE)]".

Page 5, line 29, delete "Subject to subsection (c), the" and insert "The".

Page 5, line 34, strike "(c) Notwithstanding subsection (b), the".

Page 5, line 34, delete "corporation may increase".

Page 5, line 35, before "total" delete "the".

Page 5, line 35, strike "total amount of credits allowed a taxpayer (or if the person".

Page 5, strike line 36.

Page 5, line 37, strike "or members of the pass through entity)".

Page 5, line 37, strike "to an amount".

Page 5, strike lines 38 through 40.

Page 7, between lines 5 and 6, begin a new paragraph and insert: "SECTION 7. IC 6-3.1-28-11, AS AMENDED BY P.L.191-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) **The corporation shall determine the maximum amount of credits that a taxpayer (or if the person producing the ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) is eligible to receive under this section. The total amount of credits allowed a taxpayer (or, if the person producing the ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) under this chapter may not exceed a total of three million dollars (\$3,000,000) the following amounts for all taxable years:**

(1) Two million dollars (\$2,000,000) in the case of a taxpayer who produces at least forty million (40,000,000) but less than sixty million (60,000,000) gallons of ethanol in a taxable year.

(2) Three million dollars (\$3,000,000) in the case of a taxpayer who produces at least sixty million (60,000,000) gallons of ethanol in a taxable year.

(b) Notwithstanding subsection (a), the total amount of credits allowed a taxpayer (or if the person producing ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) may be increased to an amount not to exceed a total of five million dollars (\$5,000,000) for all taxable years with the prior approval of the Indiana economic development corporation: "

Page 15, line 17, delete "IC 34-30-23" and insert "IC 34-30-24".

Page 15, line 20, delete "23." and insert "24".

Renumber all SECTIONS consecutively.

(Reference is to ESB 353 as printed February 17, 2006.) and when so amended that said bill do pass.

Committee Vote: yeas 21, nays 0.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 362, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 20, after "certificate" insert "**within thirty (30) days after the expiration date,**".

Page 2, line 23, after "." insert "**The department, at least sixty (60) days before the date on which a retail merchant's registered retail merchant's certificate expires, shall notify a retail merchant who is delinquent in remitting sales or use tax that the department will not renew the retail merchant's registered retail merchant's certificate.**".

Page 5, line 20, delete "forty-five (45)" and insert "**sixty (60)**".

Page 9, line 3, after "may" delete ":".

Page 9, delete lines 4 through 5.

Page 9, line 6, delete "(2)".

Page 9, run in lines 3 through 6.

Page 13, delete lines 2 through 42.

Page 14, delete lines 1 through 14.

Page 15, between lines 38 and 39, begin a new paragraph and insert:

"(c) This subsection applies to registered retail merchant's certificates that expire under this SECTION before March 2,

2007. The department of state revenue, at least sixty (60) days before the date on which a retail merchant's registered retail merchant's certificate expires, shall notify a retail merchant who is delinquent in remitting sales or use tax that under IC 6-2.5-8-1(g), as amended by this act, the department of state revenue will not renew the retail merchant's registered retail merchant's certificate."

Page 15, line 39, delete "(c)" and insert "**(d)**".

Renumber all SECTIONS consecutively.

(Reference is to SB 362 as printed January 20, 2006.) and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 0.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Natural Resources, to which was referred Engrossed Senate Bill 369, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, between lines 26 and 27, begin a new paragraph and insert:

"Sec. 6. At its first meeting, the task force shall establish:

(1) a list of its activities; and

(2) the time frame under which it will implement the tasks listed in section 2(a)(3) and 2(a)(4) of this chapter."

(Reference is to SB 369 as reprinted February 2, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

HOFFMAN, Chair

Report adopted.

RESOLUTIONS ON FIRST READING

House Concurrent Resolution 50

Representative Buell introduced House Concurrent Resolution 50:

A CONCURRENT RESOLUTION honoring Warren Central High School, Indianapolis, Indiana, on the occasion of its third consecutive victory in the Indiana High School Athletic Association's Class 5A state football championship.

Whereas, The Warren Central Warriors marched to a 55-20 victory over Hamilton Southeastern for their third consecutive Class 5A state championship on Saturday, November 26, in the RCA Dome in Indianapolis capping off a 14-1 season;

Whereas, The Warriors were led by senior quarterback Dexter Taylor, who ran for 158 yards and three touchdowns; an imposing offensive line; and junior safety Jeremy Finch, who set up the third score with a 41-yard interception return and added the sixth touchdown with a 55-yard punt return;

Whereas, At halftime, Warren Central was ahead of Hamilton Southeastern 41-7, had outgained its opponent by nearly 200 yards (266-67), and scored on all five of its possessions with the other offensive touchdowns coming on seven-yard runs by juniors Darren Evans and Brad Ellington;

Whereas, The team dedicated this victory to teammate Andre Nicholson, who was injured in the semistate win over Avon;

Whereas, With this victory, Coach Kevin Wright joined his father, Sheridan coach Larry "Bud" Wright, as the first father-son coaching duo to have title wins in the same season; and

Whereas, Excellence at this level requires teamwork and cooperation, and it is fitting that this effort be recognized: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly congratulates the Warren Central Warriors on their third consecutive Class 5A state football championship and wishes them well in their future endeavors.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to team

members, coaches, managers, Warren Central's school principal, and the school's superintendent.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Miller.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Turner.

House Concurrent Resolution 51

Representatives T. Harris and Turner introduced House Concurrent Resolution 51:

A CONCURRENT RESOLUTION honoring Michael Kiley.

Whereas, Michael Kiley was appointed to the Natural Resources Commission (NRC) on August 31, 1978;

Whereas, On July 26, 1990, Michael Kiley was elected chairman of the NRC, a position he held until September 20, 2005, when he resigned;

Whereas, Michael Kiley, who served under three Republican and three Democratic governors, was originally appointed by Governor Otis Bowen;

Whereas, Michael Kiley's area of expertise was wetlands preservation, public freshwater lake protection, and the coal industry;

Whereas, Michael Kiley was born in Marion, Indiana, on July 15, 1934, and has been married for 47 years to Carol Jones Kiley; they have three children, Ann, Daniel, and Matthew;

Whereas, Michael Kiley received a bachelor of arts degree in political science from the University of Notre Dame and a Juris doctor degree from Georgetown University;

Whereas, In addition to his duties on the Natural Resources Commission, Michael Kiley has also served as a municipal judge in Marion, a trustee of the Culver Military Educational Foundation, a member of the board of directors of the National Alumni Association of the University of Notre Dame, and a trustee and past board chairman of the Holy Cross College in Notre Dame, Indiana;

Whereas, Michael Kiley is a partner at Kiley, Kiley, Harker, Michael & Certain; and

Whereas, Michael Kiley has dedicated much of his life to helping preserve the natural resources of Indiana: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly wishes to thank Michael Kiley for his dedication and service to the citizens of Indiana.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Michael Kiley and his family.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Kenley, Ford, and Dillon.

House Concurrent Resolution 52

Representative Buell introduced House Concurrent Resolution 52:

A CONCURRENT RESOLUTION honoring the Warren Central High School cross country team on its victory in the Indiana High School Athletic Association state championship.

Whereas, Warren Central High School captured its first state championship in the Indiana High School Athletic Association (IHSA) cross country finals on Saturday, October 29, at the LaVern Gibson Championship Cross Country Course in Terre Haute;

Whereas, Two Warrior runners placed in the top seven, junior De'Sean Turner finished second and junior Ondraius Richardson finished seventh;

Whereas, The remaining team members for the Warren Central

Warriors were Tim Armstrong (40th), Cody Smith (75th), and Jimmy Hodges (78th);

Whereas, The 118-130 victory over Valparaiso was the closest one-two finish since a four-point difference separated Ben Davis and Portage in 1995;

Whereas, In his 23rd year as head coach, Joe Brooks won his first state championship title and was named Coach of the Year; and

Whereas, Dedication and hard work on the part of team members and coaches culminated in a state championship for the Warren Warriors, a fitting ending to an outstanding season: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the members of the Indiana General Assembly congratulate the Warren Central High School cross country team on its first cross country state championship and wish the members and coaches continued success in future endeavors.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the Warren Central cross country team members, coach Joe Brooks, principal Tony Burchett, and superintendent Dr. Peggy Hinckley.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Miller.

House Resolution 26

Representative Walorski introduced House Resolution 26:

A HOUSE RESOLUTION to honor His Royal Highness Prince Radu of Hohenzollern-Veringen.

Whereas, Prince Radu was born the 7th of June 1960 in Iasi, Romania, as Radu Duda;

Whereas, He was named Prince of Hohenzollern-Veringen in 1999;

Whereas, Prince Radu graduated from the University of Drama and Film in Bucharest and is a graduate from the National College of Defense in Romania in 2002;

Whereas, Prince Radu participated in the 2004 Program for Senior Executives in National and International Security at the John F. Kennedy School of Government at Harvard University;

Whereas, Prince Radu played a major role in the concept, planning and organization of the official tours undertaken by His Majesty King Michael I in 1997 and 2002 for the integration of Romania in NATO;

Whereas, Prince Radu serves as a advisor to His Majesty King Michael I of Romania in his capacity as a Special Representative of the Romanian Government for Integration, Cooperation and Sustainable Development; and

Whereas, In this role Prince Radu will undertake missions to promote the image of Romania around the world, promote the major interests of Romania as a NATO member and a future EU member, work to encourage foreign investment in Romania, and promote democratic value to the Romanian public: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1: That the members of the Indiana House of Representatives honor His Royal Highness Prince Radu of Hohenzollern-Veringen for his contributions to his country, Romania.

SECTION 2: That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to His Royal Highness Prince Radu of Hohenzollern-Veringen and His Majesty King Michael I of Romania.

The resolution was read a first time and adopted by voice vote.

House Resolution 27

Representative V. Smith introduced House Resolution 27:

A HOUSE RESOLUTION honoring the Indiana University School

of Continuing Studies.

Whereas, The Indiana University School of Continuing Studies is celebrating the 30th anniversary of its founding;

Whereas, The Indiana University School of Continuing Studies was founded to meet the lifelong learning needs of nontraditional students, graduated 4,074 students from all eight campuses of Indiana University in 2004-2005, and has granted general studies degrees to more than 28,000 students at a distance since 1975;

Whereas, The Indiana University School of Continuing Studies established one of the first accredited distance education high school diploma programs in the country in 1999 and has graduated nearly 200 high school students, many of whom have continued their education at prestigious colleges and universities across the country;

Whereas, The Indiana University School of Continuing Studies has served students in all 50 states and in as many as 55 foreign countries;

Whereas, The Indiana University School of Continuing Studies has a long history of serving students in the military while they serve our country at home and abroad;

Whereas, The Indiana University School of Continuing Studies is one of the largest distance education providers in the country, offering more than 195 undergraduate courses and more than 100 high school courses;

Whereas, The Indiana University School of Continuing Studies holds 54 course awards from the University Continuing Education Association and is recognized by its peer organizations as one of the best distance education providers in the country; and

Whereas, The Indiana University School of Continuing Studies is the academic home of one of the oldest and most respected adult education graduate programs in the United States: Therefore,

*Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana House of Representatives recognizes the Indiana University School of Continuing Studies on the 30th anniversary of its founding and thanks the professors and administrators for their years of dedicated service to the students of Indiana and the world.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the Indiana University School of Continuing Studies.

The resolution was read a first time and adopted by voice vote.

The Speaker Pro Tempore yielded the gavel to the Speaker.

ENGROSSED SENATE BILLS ON SECOND READING

The following bills were called down by their respective sponsors, were read a second time by title, and, there being no amendments, were ordered engrossed: Engrossed Senate Bills 73, 169, 205, 235, 236, and 339.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 4:10 p.m. with the Speaker in the Chair.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed, without amendments, Engrossed House Bills 1076 and 1299 and the same are herewith returned to the House.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed House Bills 1267, 1307, and 1392

with amendments and the same are herewith returned to the House for concurrence.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 50, 51, and 52 and the same are herewith returned to the House.

MARY C. MENDEL
Principal Secretary of the Senate

ENGROSSED SENATE BILLS ON SECOND READING

Engrossed Senate Bill 5

Representative Ulmer called down Engrossed Senate Bill 5 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 5-1)

Mr. Speaker: I move that Engrossed Senate Bill 5 be amended to read as follows:

Page 2, between lines 10 and 11, begin a new paragraph and insert: "SECTION 2. IC 35-45-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) A person who communicates a threat to another person, with the intent:

- (1) that the other person engage in conduct against the other person's will;
 - (2) that the other person be placed in fear of retaliation for a prior lawful act; or
 - (3) of causing:
 - (A) a dwelling, a building, or another structure; or
 - (B) a vehicle;
 to be evacuated;
- commits intimidation, a Class A misdemeanor.

(b) However, the offense is a:

- (1) Class D felony if:
 - (A) the threat is to commit a forcible felony;
 - (B) the person to whom the threat is communicated:
 - (i) is a law enforcement officer;
 - (ii) is a judge or bailiff of any court;
 - (iii) is a witness (or the spouse or child of a witness) in any pending criminal proceeding against the person making the threat;
 - (iv) is an employee of a school corporation; or
 - (v) is a community policing volunteer;
- (vi) is an employee of a court;
- (vii) is an employee of a probation department; or
- (viii) is an employee of a community corrections program.

(C) the person has a prior unrelated conviction for an offense under this section concerning the same victim; or

(D) the threat is communicated using property, including electronic equipment or systems, of a school corporation or other governmental entity; and

(2) Class C felony if, while committing it, the person draws or uses a deadly weapon.

(c) "Threat" means an expression, by words or action, of an intention to:

- (1) unlawfully injure the person threatened or another person, or damage property;
- (2) unlawfully subject a person to physical confinement or restraint;
- (3) commit a crime;
- (4) unlawfully withhold official action, or cause such withholding;
- (5) unlawfully withhold testimony or information with respect to another person's legal claim or defense, except for a reasonable claim for witness fees or expenses;
- (6) expose the person threatened to hatred, contempt, disgrace, or ridicule;

- (7) falsely harm the credit or business reputation of the person threatened; or
- (8) cause the evacuation of a dwelling, a building, another structure, or a vehicle."

Page 2, line 11, after "IC 35-45-1-3" delete "," and insert "**and IC 35-45-2-1, both**".

Page 2, line 12, delete "applies" and insert "**apply**".

Renumber all SECTIONS consecutively.

(Reference is to ESB 5 as printed February 17, 2006.)

GOODIN

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 6

Representative Ulmer called down Engrossed Senate Bill 6 for second reading. The bill was read a second time by title.

HOUSE MOTION

(Amendment 6-1)

Mr. Speaker: I move that Engrossed Senate Bill 6 be amended to read as follows:

Page 13, line 39, strike "nineteen (19)" and insert "**twenty (20)**".

Page 14, between lines 25 and 26, begin a new line block indented and insert:

"(12) One (1) board certified psychologist or psychiatrist who has expertise in treating sex offenders, appointed by the governor to act as a nonvoting advisor to the committee."

Page 15, line 5, after "of the" insert "**voting**".

(Reference is to ESB 6 as printed February 17, 2006.)

ULMER

Motion prevailed.

HOUSE MOTION

(Amendment 6-3)

Mr. Speaker: I move that Engrossed Senate Bill 6 be amended to read as follows:

Page 7, between lines 14 and 15, begin a new paragraph and insert: "SECTION 3. IC 31-19-2-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 4.5. A court may not grant a petition for adoption filed by:**

- (1) a sexually violent predator (as described in IC 35-38-1-7.5); or
- (2) a person who was at least eighteen (18) years of age at the time of the offense and who committed child molesting (IC 35-42-4-3) or sexual misconduct with a minor (IC 35-42-4-9) against a child less than sixteen (16) years of age:
 - (A) by using or threatening the use of deadly force;
 - (B) while armed with a deadly weapon; or
 - (C) that resulted in serious bodily injury.

SECTION 4. IC 31-30-1-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 2.5. A juvenile court may not appoint a person to serve as the guardian or custodian of a child if the person is:**

- (1) a sexually violent predator (as described in IC 35-38-1-7.5); or
- (2) a person who was at least eighteen (18) years of age at the time of the offense and who committed child molesting (IC 35-42-4-3) or sexual misconduct with a minor (IC 45-42-4-9) against a child less than sixteen (16) years of age:
 - (A) by using or threatening the use of deadly force;
 - (B) while armed with a deadly weapon; or
 - (C) that resulted in serious bodily injury.

SECTION 5. IC 31-37-19-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 10.5. (a) This section applies to a child at least twelve (12) years of age who is adjudicated a delinquent child for committing an act that would be child molesting (IC 35-42-4-3) if committed by an adult and:**

- (1) is committed by using or threatening the use of deadly force or while armed with a deadly weapon; or
- (2) that results in serious bodily injury.

(b) Notwithstanding any other provision of this chapter, a juvenile court shall transfer wardship of a child described in subsection (a) to the department of correction until the child becomes twenty-one (21) years of age.

(c) Notwithstanding IC 11-10-2-5, the department of correction may not reduce the period ordered under this section."

Page 8, between lines 26 and 27, begin a new paragraph and insert: "SECTION 7. IC 35-42-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 3. (a) A person who, with a child under fourteen (14) years of age, performs or submits to sexual intercourse or deviate sexual conduct commits child molesting, a Class B felony. However, the offense is a Class A felony if:**

- (1) it is committed by a person at least twenty-one (21) years of age;
- (2) it is committed by using or threatening the use of deadly force or while armed with a deadly weapon;
- (3) it results in serious bodily injury; or
- (4) the commission of the offense is facilitated by furnishing the victim, without the victim's knowledge, with a drug (as defined in IC 16-42-19-2(1)) or a controlled substance (as defined in IC 35-48-1-9) or knowing that the victim was furnished with the drug or controlled substance without the victim's knowledge.

(b) A person who, with a child under fourteen (14) years of age, performs or submits to any fondling or touching, of either the child or the older person, with intent to arouse or to satisfy the sexual desires of either the child or the older person, commits child molesting, a Class C felony. However, the offense is a Class A felony if:

- (1) it is committed by using or threatening the use of deadly force;
- (2) it is committed while armed with a deadly weapon; or
- (3) the commission of the offense is facilitated by furnishing the victim, without the victim's knowledge, with a drug (as defined in IC 16-42-19-2(1)) or a controlled substance (as defined in IC 35-48-1-9) or knowing that the victim was furnished with the drug or controlled substance without the victim's knowledge.

(c) It is a defense that the accused person reasonably believed that the child was sixteen (16) years of age or older at the time of the conduct.

(d) Notwithstanding IC 35-50-2-2, a person who is at least twenty-one (21) years of age who commits child molesting:

- (1) while committing or attempting to commit:
 - (A) criminal confinement (IC 35-42-3-3); or
 - (B) kidnapping;
- (2) by using or threatening the use of deadly force or while armed with a deadly weapon; or
- (3) that results in serious bodily injury;

shall receive a mandatory nonsuspendible minimum sentence of at least twenty-five (25) years. A person sentenced under this subsection does not earn credit time under IC 35-50-6-3 and is not eligible for credit time under IC 35-50-6-3.3 or any other statute or rule."

Page 8, between lines 41 and 42, begin a new paragraph and insert: "SECTION 9. IC 35-50-2-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 15. (a) As used in this section, "severe bodily injury" means an injury that creates a substantial risk of death or causes:**

- (1) serious permanent disfigurement;
- (2) protracted loss or impairment of the function of a bodily member or organ; or
- (3) death.

(b) The state may seek, on a page separate from the rest of a charging instrument, to have a person who allegedly committed an offense sentenced to an additional fixed term of imprisonment as a child batterer if the state can show beyond a reasonable doubt that the person:

- (1) was at least twenty-one (21) years of age at the time the person committed the offense; and
- (2) knowingly or intentionally inflicted severe bodily injury on a child less than fourteen (14) years of age.

(c) If the person was convicted of the offense in a jury trial, the jury shall reconvene to hear evidence in the enhancement hearing. If the trial was to the court, or the judgment was entered

on a guilty plea, the court alone shall hear evidence in the enhancement hearing.

(d) If the jury (if the hearing is by jury) or the court (if the hearing is to the court alone) finds that the state has proved beyond a reasonable doubt that the person was at least twenty-one (21) years of age at the time the person committed the offense, and that the person knowingly or intentionally inflicted severe bodily injury on a child less than fourteen (14) years of age, the court shall sentence the person to an additional nonsuspendible fixed term of imprisonment of twenty-five (25) years.

(e) A person sentenced under this section does not earn credit time under IC 35-50-6-3 for the enhancement imposed under this section and is not eligible for credit time under IC 35-50-6-3.3 or any other statute or rule for the enhancement imposed under this section."

Page 15, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 15. [EFFECTIVE JULY 1, 2006] (a) IC 35-42-4-3, as amended by this act, applies only to crimes committed after June 30, 2006.

(b) IC 31-37-19-10.5 and IC 35-50-2-15, both as added by this act, apply only to acts committed after June 30, 2006."

Renumber all SECTIONS consecutively.

(Reference is to ESB 6 as printed February 17, 2006.)

BRIGHT

Representative Pelath rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. After discussion, Representative Pelath withdrew the point of order.

The question then was on the motion of Representative Bright. Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 12

Representative Foley called down Engrossed Senate Bill 12 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 12-1)

Mr. Speaker: I move that Engrossed Senate Bill 12 be amended to read as follows:

Page 4, between lines 1 and 2, begin a new paragraph and insert:
"SECTION 4. IC 5-2-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) As used in this section, "commission" means the commission for a drug free Indiana established by IC 5-2-6-16.

(b) Subject to subsections (c) and (d), a county fiscal body shall annually appropriate from the fund amounts allocated by the county legislative body for the use of persons, organizations, agencies, and political subdivisions to carry out recommended actions contained in a comprehensive drug free communities plan submitted by the local coordinating council and approved by the commission for a drug free Indiana established by IC 5-2-6-16 as follows:

- (1) For persons, organizations, agencies, and political subdivisions to provide prevention and education services, at least twenty-five percent (25%) of the money in the fund.
- (2) For persons, organizations, agencies, and political subdivisions to provide intervention and treatment services, at least twenty-five percent (25%) of the money in the fund.
- (3) For persons, organizations, agencies, and political subdivisions to provide criminal justice services and activities, at least twenty-five percent (25%) of the money in the fund.
- (4) A county fiscal body shall annually appropriate the remaining money in the fund allocated by the county legislative body to be used by persons, organizations, agencies, and political subdivisions to provide services and activities under subdivisions (1) through (3).

(c) In the comprehensive drug free communities plan, the local coordinating council shall determine the amount of funds the county fiscal body shall appropriate to implement the objectives approved in the comprehensive drug free communities plan.

(d) If the comprehensive drug free communities plan is not approved by the commission, the county fiscal body may not

appropriate any funds at the request of the local coordinating council or any other local entity.

(e) If funds are allocated by a county legislative body under subsection (b) and the commission has not approved the comprehensive drug free communities plan for the county, the commission may for cause:

- (1) approve and appoint a new local coordinating council for the county;
- (2) freeze funds allocated by the county legislative body; or
- (3) reevaluate the comprehensive drug free communities plan."

Renumber all SECTIONS consecutively.

(Reference is to ESB 12 as printed February 14, 2006.)

MESSER

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 18

Representative T. Brown called down Engrossed Senate Bill 18 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 18-3)

Mr. Speaker: I move that Engrossed Senate Bill 18 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 11-10-4-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) As used in this section, "mental health record" has the meaning set forth in IC 16-18-2-226.

(b) A psychiatrist or a mental health facility may, with or without the offender's consent, provide a copy of an offender's mental health record to a facility or an agency responsible for the incarceration of an offender. Any mental health records provided under this subsection shall become part of the offender's health record maintained by the facility or agency responsible for the incarceration of an offender.

(c) If an offender is transferred to a different facility, the offender's mental health records must be provided to the facility that is used to:

- (1) house; or
- (2) provide mental health treatment to;

the offender, including a county jail or a community mental health center.

(d) The department shall maintain health records for each offender incarcerated by the department. After an offender is released from incarceration, the department shall provide the offender's mental health records, if any, to a mental health facility or mental health provider who is providing mental health treatment to the offender."

Page 2, between lines 24 and 25, begin a new paragraph and insert:
"SECTION 7. IC 16-39-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) Without the consent of the patient, the patient's mental health record may only be disclosed as follows:

- (1) To individuals who meet the following conditions:

(A) Are employed by:

- (i) the provider at the same facility or agency;
- (ii) a managed care provider (as defined in IC 12-7-2-127(b)); or
- (iii) a health care provider or mental health care provider, if the mental health records are needed to provide health care or mental health services to the patient.

(B) Are involved in the planning, provision, and monitoring of services.

- (2) To the extent necessary to obtain payment for services rendered or other benefits to which the patient may be entitled, as provided in IC 16-39-5-3.

- (3) To the patient's court appointed counsel and to the Indiana

protection and advocacy services commission.

(4) For research conducted in accordance with IC 16-39-5-3 and the rules of the division of mental health and addiction, the rules of the division of disability, aging, and rehabilitative services, or the rules of the provider.

(5) To the division of mental health and addiction for the purpose of data collection, research, and monitoring managed care providers (as defined in IC 12-7-2-127(b)) who are operating under a contract with the division of mental health and addiction.

(6) To the extent necessary to make reports or give testimony required by the statutes pertaining to admissions, transfers, discharges, and guardianship proceedings.

(7) To a law enforcement agency if any of the following conditions are met:

(A) A patient escapes from a facility to which the patient is committed under IC 12-26.

(B) The superintendent of the facility determines that failure to provide the information may result in bodily harm to the patient or another individual.

(C) A patient commits or threatens to commit a crime on facility premises or against facility personnel.

(D) A patient is in the custody of a law enforcement officer or agency for any reason and:

(i) the information to be released is limited to medications currently prescribed for the patient or to the patient's history of adverse medication reactions; and

(ii) the provider determines that the release of the medication information will assist in protecting the health, safety, or welfare of the patient.

Mental health records released under this clause must be maintained in confidence by the law enforcement agency receiving them.

(8) To a coroner or medical examiner, in the performance of the individual's duties.

(9) To a school in which the patient is enrolled if the superintendent of the facility determines that the information will assist the school in meeting educational needs of a person with a disability under 20 U.S.C. 1400 et seq.

(10) To the extent necessary to satisfy reporting requirements under the following statutes:

(A) IC 12-10-3-10.

(B) IC 12-17-2-16.

(C) IC 12-24-17-5.

(D) IC 16-41-2-3.

(E) IC 31-33-5-4.

(F) IC 34-30-16-2.

(G) IC 35-46-1-13.

(11) To the extent necessary to satisfy release of information requirements under the following statutes:

(A) IC 11-10-4-9.

~~(B)~~ (B) IC 12-24-11-2.

~~(C)~~ (C) IC 12-24-12-3, IC 12-24-12-4, and IC 12-24-12-6.

~~(D)~~ (D) IC 12-26-11.

(12) To another health care provider in a health care emergency.

(13) For legitimate business purposes as described in IC 16-39-5-3.

(14) Under a court order under IC 16-39-3.

(15) With respect to records from a mental health or developmental disability facility, to the United States Secret Service if the following conditions are met:

(A) The request does not apply to alcohol or drug abuse records described in 42 U.S.C. 290dd-2 unless authorized by a court order under 42 U.S.C. 290dd-2(b)(2)(c).

(B) The request relates to the United States Secret Service's protective responsibility and investigative authority under 18 U.S.C. 3056, 18 U.S.C. 871, or 18 U.S.C. 879.

(C) The request specifies an individual patient.

(D) The director or superintendent of the facility determines that disclosure of the mental health record may be necessary to protect a person under the protection of the United States Secret Service from serious bodily injury or death.

(E) The United States Secret Service agrees to only use the

mental health record information for investigative purposes and not disclose the information publicly.

(F) The mental health record information disclosed to the United States Secret Service includes only:

(i) the patient's name, age, and address;

(ii) the date of the patient's admission to or discharge from the facility; and

(iii) any information that indicates whether or not the patient has a history of violence or presents a danger to the person under protection.

(16) To the statewide waiver ombudsman established under IC 12-11-13, in the performance of the ombudsman's duties.

(b) After information is disclosed under subsection (a)(15) and if the patient is evaluated to be dangerous, the records shall be interpreted in consultation with a licensed mental health professional on the staff of the United States Secret Service.

(c) A person who discloses information under subsection (a)(7) or (a)(15) in good faith is immune from civil and criminal liability.

SECTION 8. IC 16-39-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) As used in this section, "association" refers to an Indiana hospital trade association founded in 1921.

(b) As used in this section, "data aggregation" means a combination of information obtained from the health records of a provider with information obtained from the health records of one (1) or more other providers to permit data analysis that relates to the health care operations of the providers.

(c) Except as provided in IC 16-39-4-5, the original health record of the patient is the property of the provider and as such may be used by the provider, **including a previous or subsequent provider**, without specific written authorization for legitimate business purposes, including the following:

(1) Submission of claims for payment from third parties.

(2) Collection of accounts.

(3) Litigation defense.

(4) Quality assurance.

(5) Peer review.

(6) Scientific, statistical, and educational purposes.

(d) In use under subsection (c), the provider shall at all times protect the confidentiality of the health record and may disclose the identity of the patient only when disclosure is essential to the provider's business use or to quality assurance and peer review.

(e) A provider may disclose a health record to another provider or to a nonprofit medical research organization to be used in connection with a joint scientific, statistical, or educational project. Each party that receives information from a health record in connection with the joint project shall protect the confidentiality of the health record and may not disclose the patient's identity except as allowed under this article.

(f) A provider may disclose a health record or information obtained from a health record to the association for use in connection with a data aggregation project undertaken by the association. However, the provider may disclose the identity of a patient to the association only when the disclosure is essential to the project. The association may disclose the information it receives from a provider under this subsection to the state department to be used in connection with a public health activity or data aggregation of inpatient and outpatient discharge information submitted under IC 16-21-6-6. The information disclosed by:

(1) a provider to the association; or

(2) the association to the state department; under this subsection is confidential.

(g) Information contained in final results obtained by the state department for a public health activity that:

(1) is based on information disclosed under subsection (f); and

(2) identifies or could be used to determine the identity of a patient;

is confidential. All other information contained in the final results is not confidential.

(h) Information that is:

(1) advisory or deliberative material of a speculative nature; or

(2) an expression of opinion;

including preliminary reports produced in connection with a public

health activity using information disclosed under subsection (f), is confidential and may only be disclosed by the state department to the association and to the provider who disclosed the information to the association.

(i) The association shall, upon the request of a provider that contracts with the association to perform data aggregation, make available information contained in the final results of data aggregation activities performed by the association in compliance with subsection (f).

(j) A person who recklessly violates or fails to comply with subsections (e) through (h) commits a Class C infraction. Each day a violation continues constitutes a separate offense.

(k) This chapter does not do any of the following:

- (1) Repeal, modify, or amend any statute requiring or authorizing the disclosure of information about any person.
- (2) Prevent disclosure or confirmation of information about patients involved in incidents that are reported or required to be reported to governmental agencies and not required to be kept confidential by the governmental agencies."

Renumber all SECTIONS consecutively.

(Reference is to ESB 18 as printed February 17, 2006.)

T. BROWN

Motion prevailed.

HOUSE MOTION (Amendment 18-1)

Mr. Speaker: I move that Engrossed Senate Bill 18 be amended to read as follows:

Page 2, between lines 24 and 25, begin a new paragraph and insert: "SECTION 6. IC 16-33-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The Silvercrest children's development center is established as a state center. **The center shall:**

- (1) remain open to treat students; and**
- (2) continue to be funded by the state."**

Renumber all SECTIONS consecutively.

(Reference is to ESB 18 as printed February 17, 2006.)

COCHRAN

Representative Whetstone rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. After discussion, Representative Whetstone withdrew the point of order.

The question then was on the motion of Representative Cochran. Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 47

Representative McClain called down Engrossed Senate Bill 47 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 47-4)

Mr. Speaker: I move that Engrossed Senate Bill 47 be amended to read as follows:

Page 3, line 10, delete "society" and insert "**society, including a child care ministry registered under IC 12-17.2-6**".

Page 3, after line 16, begin a new paragraph and insert:

"SECTION 2. IC 12-17.2-3.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. (a) **Except as provided in subsection (f)**, a provider shall, at no expense to the state, maintain and make available to the division upon request a copy of a limited criminal history for:

- (1) the provider, if the provider is an individual;
- (2) if the provider operates a child care program in the provider's home, any individual who resides with the provider and who is:
 - (A) at least eighteen (18) years of age; or
 - (B) less than eighteen (18) years of age but has previously been waived from juvenile court to adult court; and
- (3) any individual who:
 - (A) is employed; or
 - (B) volunteers;

as a caregiver at the facility where the provider operates a child care program.

A provider shall apply for a limited criminal history for an individual described in subdivision (3) before the individual is employed or allowed to volunteer as a caregiver.

(b) In addition to the requirement under subsection (a), a provider shall report to the division any:

- (1) police investigations;
- (2) arrests; and
- (3) criminal convictions;

not listed on a limited criminal history obtained under subsection (a) regarding any of the persons listed in subsection (a).

(c) A provider that meets the other eligibility requirements of this chapter is temporarily eligible to receive voucher payments until the provider receives the limited criminal history required under subsection (a) from the state police department if:

- (1) the provider:
 - (A) has applied for the limited criminal history required under subsection (a); and
 - (B) obtains a local criminal history for the individuals described in subsection (a) from each individual's local law enforcement agency before the individual is employed or allowed to volunteer as a caregiver; and
- (2) the local criminal history does not reveal that an individual has been convicted of a:

- (A) felony;
- (B) misdemeanor related to the health or safety of a child;
- (C) misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or
- (D) misdemeanor for operating a child care home without a license under IC 12-17.2-5-35.

(d) A provider is ineligible to receive a voucher payment if an individual for whom a limited criminal history is required under this section has been convicted of a:

- (1) felony;
- (2) misdemeanor related to the health or safety of a child;
- (3) misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or
- (4) misdemeanor for operating a child care home without a license under IC 12-17.2-5-35;

until the individual is dismissed from employment or volunteer service at the facility where the provider operates a child care program or no longer resides with the provider.

(e) A provider shall maintain a written policy requiring an individual for whom a limited criminal history is required under this section to report any criminal convictions of the individual to the provider.

(f) The state police department may not charge a child care ministry registered under IC 12-17.2-6 any fees or costs for responding to a request for a release of a limited criminal history record of a prospective or current employee, or a prospective or current volunteer, as described in IC 10-13-3-36(f)."

Renumber all SECTIONS consecutively.

(Reference is to ESB 47 as printed February 17, 2006.)

McCLAIN

Motion prevailed.

HOUSE MOTION (Amendment 47-1)

Mr. Speaker: I move that Engrossed Senate Bill 47 be amended to read as follows:

Page 3, line 12, delete "or".

Page 3, between lines 13 and 14, begin a new line block indented and insert:

- "(3) a court appointed special advocate or guardian ad litem program; or**
- (4) a volunteer advocate for seniors program;"**

(Reference is to ESB 47 as printed February 17, 2006.)

AVERY

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 83

Representative Torr called down Engrossed Senate Bill 83 for second reading. The bill was reread a second time by title.

HOUSE MOTION
(Amendment 83-2)

Mr. Speaker: I move that Engrossed Senate Bill 83 be amended to read as follows:

Page 3, between lines 14 and 15, begin a new paragraph and insert:
"(e) Notwithstanding IC 35-50-2-2 and IC 35-50-3-1, the mandatory minimum sentence imposed under subsection (d) may not be suspended."

(Reference is to ESB 83 as printed February 17, 2006.)

TORR

Motion prevailed.

HOUSE MOTION
(Amendment 83-3)

Mr. Speaker: I move that Engrossed Senate Bill 83 be amended to read as follows:

Page 3, between lines 14 and 15, begin a new paragraph and insert:
"SECTION 3. [EFFECTIVE UPON PASSAGE] The legislative council shall assign an interim or a statutory committee to study the topic of high speed police pursuits. The committee shall address the following issues:

- (1) The benefits and risks of high speed police pursuits.**
- (2) Adoption of pursuit policies by law enforcement agencies.**
- (3) The factors a law enforcement officer must consider before beginning, continuing, or ending a pursuit.**
- (4) Any other related matter the committee determines necessary."**

Page 3, after line 17, begin a new paragraph and insert:

"SECTION 5. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to ESB 83 as printed February 17, 2006.)

BARDON

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 87

Representative Gutwein called down Engrossed Senate Bill 87 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 87-2)

Mr. Speaker: I move that Engrossed Senate Bill 87 be amended to read as follows:

Page 7, between lines 15 and 16, begin a new paragraph and insert:
"SECTION 14. IC 14-22-20-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006.]: Sec. 5. (a) Subject to subsection (b), any of the following is considered a taking that requires compensation to the owner of an enclosed hunting facility that conducts a hunting business at the facility:

- (1) The closure of the enclosed hunting facility by the state.**
- (2) The revocation by the department of a license issued under this chapter if the revocation has the effect of precluding the operation of the enclosed hunting facility.**
- (3) The failure of the department to renew a license issued under this chapter if the revocation has the effect of precluding the operation of the enclosed hunting facility.**

(b) Subsection (a) applies only if the owner of the enclosed hunting facility meets all legal requirements for the operation of the facility.

(c) The compensation under subsection (a) is based on the fair market value of the hunting business conducted by the owner of the enclosed hunting facility at the facility.

(d) The department shall:

- (1) commission an independent appraiser to determine the market value of the hunting business under subsection (c); and**
- (2) pay the compensation under subsection (a) from the department's general operating budget."**

Renumber all SECTIONS consecutively.

(Reference is to ESB 87 as printed February 17, 2006.)

GRUBB

The Speaker ordered a division of the House and appointed Representatives Friend and Stilwell to count the yeas and nays. Yeas 49, nays 42. Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 111

Representative T. Brown called down Engrossed Senate Bill 111 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 111-1)

Mr. Speaker: I move that Engrossed Senate Bill 111 be amended to read as follows:

Page 1 between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 20-26-9-2, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) This subsection applies before July 1, 2007. As used in this chapter, "qualifying school building" refers to a public school building in which:

- (1) at least twenty-five percent (25%) of the students who were enrolled at that school building during the prior school year qualified for free or reduced price lunches under guidelines established under 42 U.S.C. 1758(b); and**
- (2) lunches are served to students.**

(b) This subsection applies after June 30, 2007. As used in this chapter, "qualifying school building" refers to a public school building in which:

- (1) at least fifteen percent (15%) of the students who were enrolled at that school building during the prior school year qualified for free or reduced price lunches under guidelines established under 42 U.S.C. 1758(b); and**
- (2) lunches are served to students."**

Renumber all SECTIONS consecutively.

(Reference is to ESB 111 as printed February 21, 2006.)

DAY

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 112

Representative Woodruff called down Engrossed Senate Bill 112 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 112-3)

Mr. Speaker: I move that Engrossed Senate Bill 112 be amended to read as follows:

Page 13, line 29, delete ":".

Page 13, line 30, delete "(i)".

Page 13, line 33, delete "or".

Page 13, delete lines 34 through 35.

Page 14, delete line 1.

Page 14, line 4, delete "." and insert "; and".

Page 14, between lines 4 and 5, begin a new line double block indented and insert:

"(6) must require the division to waive the family's monthly copayments in any month for those services for which it receives payment from the family's health insurance coverage."

(Reference is to ESB 112 as printed February 17, 2006.)

WOODRUFF

Motion prevailed.

HOUSE MOTION
(Amendment 112-4)

Mr. Speaker: I move that Engrossed Senate Bill 112 be amended to read as follows:

Page 21, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 53. [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)] (a) As used in this SECTION, "net worth" has the meaning set forth in IC 27-13-12-1.

(b) Notwithstanding IC 27-13-12, the department of insurance may accept from a health maintenance organization, instead of meeting the minimum net worth requirements, either:

(1) a performance bond; or
 (2) a cash deposit;
 in an amount equal to the difference between the minimum net worth requirement set forth in IC 27-13-12 and the risk based capital requirement imposed under IC 27-1-36.

(c) This SECTION expires July 1, 2007."

Renumber all SECTIONS consecutively.

(Reference is to ESB 112 as printed February 17, 2006.)

T. BROWN

Upon request of Representatives Crawford and Stilwell, the Speaker ordered the roll of the House to be called. Roll Call 227: yeas 60, nays 34. Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 145

Representative Duncan called down Engrossed Senate Bill 145 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 145-1)

Mr. Speaker: I move that Engrossed Senate Bill 145 be amended to read as follows:

Page 1, between lines 5 and 6, begin a new paragraph and insert: "SECTION 2. IC 9-13-2-92, AS AMENDED BY P.L.210-2005, SECTION 8, AND AS AMENDED BY P.L.227-2005, SECTION 8, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 92. (a) "Law enforcement officer", except as provided in subsection (b), includes the following:

- (1) A state police officer.
- (2) A city, town, or county police officer.
- (3) A sheriff.
- (4) A county coroner.
- (5) A conservation officer.
- (6) *An individual assigned as a motor carrier inspector under IC 10-11-2-26(a).*
- ~~(6) (7) A member of a consolidated law enforcement department established under IC 36-3-1-5.1.~~

(8) **An excise police officer of the alcohol and tobacco commission.**

(b) "Law enforcement officer", for purposes of IC 9-30-5, IC 9-30-6, IC 9-30-7, IC 9-30-8, and IC 9-30-9, has the meaning set forth in IC 35-41-1.

SECTION 3. IC 9-13-2-127, AS AMENDED BY P.L.210-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 127. (a) "Police officer" means, except as provided in subsection (b), the following:

- (1) A regular member of the state police department.
- (2) A regular member of a city or town police department.
- (3) A town marshal or town marshal deputy.
- (4) A regular member of a county sheriff's department.
- (5) A conservation officer of the department of natural resources.
- (6) An individual assigned as a motor carrier inspector under IC 10-11-2-26(a).

(7) **An excise police officer of the alcohol and tobacco commission.**

(b) "Police officer", for purposes of IC 9-21, means an officer authorized to direct or regulate traffic or to make arrests for violations of traffic regulations".

Renumber all SECTIONS consecutively.

(Reference is to ESB 145 as printed February 21, 2006.)

STUTZMAN

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 173

Representative Behning called down Engrossed Senate Bill 173 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 206

Representative Buell called down Engrossed Senate Bill 206 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 206-1)

Mr. Speaker: I move that Engrossed Senate Bill 206 be amended to read as follows:

Page 1, line 15, delete "." insert "**in the last five (5) years.**".

(Reference is to ESB 206 as printed February 17, 2006.)

KUZMAN

The Speaker ordered a division of the House and appointed Representatives Friend and Stilwell to count the yeas and nays. Yeas 55, nays 33. Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 191

Representative Ruppel called down Engrossed Senate Bill 191 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 310

Representative Behning called down Engrossed Senate Bill 310 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 332

Representative Buell called down Engrossed Senate Bill 332 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 354

Representative Ulmer called down Engrossed Senate Bill 354 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 354-1)

Mr. Speaker: I move that Engrossed Senate Bill 354 be amended to read as follows:

Page 7, line 15, delete "A" and insert "**For land that was originally classified after June, 30, 2006, a**".

(Reference is to ESB 354 as printed February 14, 2006.)

FRIEND

Motion prevailed.

HOUSE MOTION (Amendment 354-2)

Mr. Speaker: I move that Engrossed Senate Bill 354 be amended to read as follows:

Page 2, line 9, delete "is" and insert "**are**".

Page 9, delete lines 21 through 33.

Renumber all SECTIONS consecutively.

(Reference is to ESB 354 as printed February 14, 2006.)

DVORAK

Motion failed.

HOUSE MOTION (Amendment 354-3)

Mr. Speaker: I move that Engrossed Senate Bill 354 be amended to read as follows:

Page 9, between lines 40 and 41, begin a new paragraph and insert: "SECTION 29. IC 14-23-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) Pro rata payments to a county shall be made at the close of each fiscal year on a fiscal year basis. The payments shall be made to the county by certification on the part of the department of the specific amounts due the county upon submission by the county of state vouchers stating the amounts due. The payments shall be made by the department in the same manner and procedure as other voucher claims upon the state are paid.

(b) **Subject to subsection (c)**, fifty percent (50%) of the payments made to each county under this section shall be appropriated and equally distributed to the volunteer fire departments within the county that have a cooperative lease agreement or contract with the division of forestry. ~~However,~~

(c) **Unless the county legislative body allows a greater distribution**, each fire department is limited to receiving a maximum annual distribution under this section of one thousand dollars

(\$1,000).".

Renumber all SECTIONS consecutively.
(Reference is to ESB 354 as printed February 14, 2006.)

OXLEY

Motion prevailed.

HOUSE MOTION (Amendment 354-2)

Mr. Speaker: I move that Engrossed Senate Bill 354 be amended to read as follows:

Page 9, delete lines 34 through 40.

Renumber all SECTIONS consecutively.

(Reference is to ESB 354 as printed February 14, 2006.)

PIERCE

Upon request of Representatives Pierce and Stilwell, the Speaker ordered the roll of the House to be called. Roll Call 228: yeas 31, nays 65. Motion failed. The bill was ordered engrossed.

Engrossed Senate Bill 384

Representative Saunders called down Engrossed Senate Bill 384 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred Engrossed Senate Bill 1, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-18.5-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 21. (a) The ad valorem property tax levy limits imposed by this chapter do not apply to ad valorem property taxes imposed by the consolidated fire department taxing district established in IC 36-3-1-6.4 to pay or fund the following:**

(1) Any indebtedness of a township or an excluded city assumed, defeased, paid, or refunded by the consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3.

(2) Any indebtedness issued by the consolidated city, after the consolidated fire department is established, to pay for fire protection services, emergency services, or equipment, buildings, or land related to fire protection services or emergency medical services.

SECTION 2. IC 6-3.5-6-18.5, AS AMENDED BY P.L.234-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:

(1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month multiplied by the following factor:

| | |
|----------------------------|--------|
| Center Township | .0251 |
| Decatur Township | .00217 |
| Franklin Township | .0023 |
| Lawrence Township | .01177 |
| Perry Township | .01130 |
| Pike Township | .01865 |
| Warren Township | .01359 |
| Washington Township | .01346 |
| Wayne Township | .01307 |
| Lawrence-City | .00858 |
| Beech Grove | .00845 |
| Southport | .00025 |
| Speedway | .00722 |
| Indianapolis/Marion County | .86409 |

(2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

| | |
|---------------------|-------------|
| Center Township | \$1,898,145 |
| Decatur Township | \$164,103 |
| Franklin Township | \$173,934 |
| Lawrence Township | \$890,086 |
| Perry Township | \$854,544 |
| Pike Township | \$1,410,375 |
| Warren Township | \$1,027,721 |
| Washington Township | \$1,017,890 |
| Wayne Township | \$988,397 |
| Lawrence-City | \$648,848 |
| Beech Grove | \$639,017 |
| Southport | \$18,906 |
| Speedway | \$546,000 |

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.

STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.

STEP THREE: Subtract the STEP ONE result from the STEP TWO result.

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).

STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.

STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, IC 12-19-7, and IC 12-19-7.5 for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999

for the county's welfare fund and welfare administration fund.

(c) Except with respect to Center Township, if a consolidated fire department is established under IC 36-3-1-6.1, sixty-six percent (66%) of the revenues to be distributed as distributive shares during each month to the townships listed in this section are to be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.

(d) If Lawrence, Beech Grove, Southport, or Speedway consolidates its fire department into the consolidated fire department under IC 36-3-1-6.3, commencing with the calendar year following that consolidation and for each year thereafter, the monthly distributive share of county option income taxes distributed to Lawrence, Beech Grove, Southport, or Speedway, as applicable, shall be reduced by a percentage set forth in the ordinances adopted under IC 36-3-1-6.3, and those revenues shall instead be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.

SECTION 3. IC 8-22-3-11.6, AS ADDED BY P.L.227-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.6. (a) This section applies only to an airport authority established for a county having a consolidated city.

(b) If:

(1) the legislative body of the consolidated city ~~and the governing body of the airport authority may adopt substantially similar ordinances providing that~~ adopts an ordinance under IC 36-3-1-6.1 providing that:

(A) the fire department of the airport authority is consolidated into the fire department of the consolidated city ~~created by IC 36-3-1-6.1; and that~~

(B) the fire department of the consolidated city shall provide fire protection services for the airport authority; ~~if ordinances are adopted under this section;~~

~~and the executive of the consolidated city approves the ordinance; and~~

(2) the legislative body of the consolidated city adopts an ordinance under IC 36-3-1-6.1 adopting the transition plan and the executive of the consolidated city approves the ordinance;

the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances: January 1, 2008.

(c) The legislative body of the consolidated city ~~and the governing body of the airport authority may adopt substantially similar ordinances an ordinance under IC 36-3-1-5.1 providing that the law enforcement services of the airport authority are consolidated into the consolidated law enforcement department of the consolidated city created by IC 36-3-1-5.1, and that the law enforcement department of the consolidated city shall provide law enforcement services for the airport authority. If ordinances are adopted under this section; the consolidation shall take effect on the date agreed to by the legislative body of the consolidated city and the governing body of the airport authority in the ordinances:".~~

Delete pages 2 through 19.

Page 20, delete lines 1 through 29.

Page 21, delete lines 19 through 42, begin a new paragraph and insert:

"SECTION 6. IC 36-3-1-6.1, AS ADDED BY P.L.227-2005, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.1. (a) This section applies only in a county containing a consolidated city. If the requirements of subsection (g) are satisfied; The legislative body of the consolidated city may adopt an ordinance approved by the executive of the consolidated city to consolidate the fire departments of the following are consolidated into the fire department of a consolidated city (referred to as "the consolidated fire department"):

(1) A township for which the consolidation is approved by the township legislative body and trustee and the legislative body and mayor of the located in a county having a consolidated city.

(2) Any fire protection territory established under IC 36-8-19 that is located in a township described in subdivision (1): county having a consolidated city.

(3) The territory in which an airport authority established for a consolidated city under IC 8-22-3 may provide fire protection services.

However, an ordinance may be adopted under this subsection only before August 1, 2006. Notwithstanding any other provision, an ordinance adopted under this subsection after July 31, 2006, is not effective.

(b) The legislative body of the consolidated city may not adopt an ordinance under subsection (a) unless the legislative body first:

(1) holds a public hearing on the proposed consolidation; and

(2) determines that:

(A) reasonable and adequate fire protection can be provided through the consolidation; and

(B) the consolidation is in the public interest.

(c) If the requirements of subsection (a) are satisfied, the metropolitan board of fire commissioners is established. The board consists of the following members:

(1) The executive of the consolidated city, who shall serve as the board's chairperson.

(2) The nine (9) township trustees in the county containing a consolidated city.

(3) Two (2) members of the legislative body of the consolidated city, who must be from different political parties, appointed by the president of the legislative body of the consolidated city.

At the board's first meeting, the members of the board shall elect a vice chairperson. Meetings of the board shall be called by the chairperson or by the vice chairperson and any two (2) other members. An affirmative vote of a majority of the members appointed to the board is required for the board to take final action. The members of the board may not receive a salary or per diem for participation on the board.

(d) The board established under subsection (c) shall prepare a transition plan to integrate the functions and personnel of the fire departments consolidated into the fire department of the consolidated city. If the board votes to adopt the transition plan, the board shall submit the plan to the legislative body of the consolidated city. If:

(1) before January 1, 2008, the legislative body adopts an ordinance by a majority vote that adopts the transition plan; and

(2) the executive of the consolidated city approves the ordinance adopted under subdivision (1);

the fire department consolidation becomes effective January 1, 2008.

(e) The board established under subsection (c) shall conduct budget hearings and before August 1, 2007, submit a budget proposal for the consolidated fire department to the legislative body of the consolidated city for approval. If the board established under subsection (c) does not adopt a transition plan before August 1, 2007, the legislative body of the consolidated city may prepare a transition plan to consolidate the fire departments into the fire department of the consolidated city. If:

(1) before January 1, 2008, the legislative body adopts an ordinance by a majority vote that adopts the transition plan; and

(2) the executive of the consolidated city approves the ordinance adopted under subdivision (1);

the fire department consolidation becomes effective on January 1, 2008. However, notwithstanding any other statute, if the legislative body does not adopt a transition plan until after December 31, 2007, the effective date of the consolidation is not January 1, 2008, but is instead the date specified by the legislative body in the ordinance adopting the transition plan.

(f) Subject to subsection (g), beginning January 1, 2008, the board established under subsection (c) has the following duties and responsibilities:

(1) The board shall approve:

(A) station closings and equipment relocations; and

(B) a plan to integrate all merit positions into the consolidated fire department.

(2) The board shall oversee all assets of the consolidated fire department and monitor all reallocation of assets.

(3) The board shall appoint one (1) member to the merit commission of the consolidated fire department. This member:

(A) shall serve until the board expires on December 31, 2010; and

(B) shall replace a member appointed by the mayor of the consolidated city.

Notwithstanding any other law, the mayor shall designate which of the mayor's appointees to the merit board is removed from the merit board and replaced by the member appointed under this subdivision.

(4) The board shall conduct budget hearings and submit a budget proposal for the consolidated fire department to the legislative body of the consolidated city for approval.

(5) The board shall approve all equipment and facility purchases for the consolidated fire department.

(6) The board shall nominate three (3) candidates for fire chief of the consolidated fire department. The executive shall select a fire chief from the candidates nominated by the board.

(7) The board shall provide advice and make recommendations to the chief of the consolidated fire department regarding the operation of the consolidated fire department and the provision of emergency medical services.

(8) The board shall review labor agreements assumed or to be assumed by the consolidated city and make recommendations concerning labor agreements needed to integrate firefighters from all townships into the consolidated fire department.

(9) The board is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3.

(10) The board shall meet at least once each month.

(g) The board expires December 31, 2010. Upon expiration of the board, the duties and responsibilities set forth in subsection (f) revert to the government body or officer of the consolidated city that had the duty or responsibility before the effective date of the consolidation.

(b) If the requirements of subsection (g) are satisfied, (h) Except as provided in section 6.3 of this chapter, if a consolidated fire department is established under this section the consolidated fire department shall provide fire protection services within an entity described in subsection (a)(1) or (a)(2) in which the requirements of subsection (g) are satisfied the consolidated fire department taxing district beginning on the date agreed to in the resolution of the township legislative body and the ordinance of the legislative body of the consolidated city: January 1, 2008.

(c) (i) If the requirements of subsection (g) are satisfied and the fire department departments of an entity the entities listed in subsection (a) is are consolidated into the fire department of the consolidated city, all of the property, equipment, records, rights, and contracts of the department departments consolidated into the fire department of the consolidated city are:

(1) transferred to; or

(2) assumed by;

the consolidated city on the effective date of the consolidation. However, real property other than real property used as a fire station may be transferred only on terms mutually agreed to by the legislative body and mayor of the consolidated city and the trustee and legislative body of the township in which that real property is located: January 1, 2008. In the case of a building that was partially funded from sources other than taxes imposed for fire protection purposes, only that portion of the building that was funded from taxes imposed for fire protection purposes and that is used by the township for fire protection purposes shall be transferred to the consolidated city. Any balance in a township's cumulative building and equipment fund for fire protection and related services established under IC 36-8-14 before January 1, 2008, shall not be transferred to the consolidated city but shall be

transferred first to a dedicated township fund and used to pay pension obligations under the 1937 firefighters' pension fund, if the township has any unfunded liability for pension obligations for township firefighters under the 1937 firefighters' pension fund, and if any balance remains after that transfer for pension obligations the remaining balance shall be transferred to any other cumulative fund or rainy day fund established by the township before January 1, 2008. However, if a township has not established another cumulative fund or rainy day fund before January 1, 2008, into which any remaining balance may be transferred, the remaining balance shall instead be transferred to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund. The balances in any rainy day funds established by a township for any purpose are not transferred to the consolidated city. The Emergency Services Education Center in Wayne Township shall remain the property of Wayne Township and shall not be transferred to the consolidated city.

(d) (j) If the requirements of subsection (g) are satisfied and the fire department departments of an entity the entities listed in subsection (a) is are consolidated into the fire department of the consolidated city, the employees of the fire department consolidated into the fire department of the consolidated city cease employment with the department of the entity listed in subsection (a) and become employees of the consolidated fire department on the effective date of the consolidation: January 1, 2008. The consolidated city shall assume all agreements with labor organizations that:

(1) are in effect on the effective date of the consolidation; and

(2) apply to employees of the department consolidated into the fire department of the consolidated city who become employees of the consolidated fire department.

(e) (k) If the requirements of subsection (g) are satisfied and the fire department departments of an entity the entities listed in subsection (a) is are consolidated into the fire department of a consolidated city, the indebtedness related to fire protection services incurred before the effective date of the consolidation by:

(1) the entity; or

(2) a building, holding, or leasing corporation on behalf of the entity;

whose fire department is consolidated into the consolidated fire department under subsection (a) shall remain the debt of the entity and does not become and may not be assumed, defeased, paid, or refunded by the consolidated city and may be paid from property taxes imposed by the consolidated fire department taxing district. Notwithstanding any other law, to assume, defease, pay, or refund all or a part of the indebtedness, the consolidated city is not required to comply with any other statutory procedures or approvals that apply when a unit incurs indebtedness. However, the consolidated city may not assume all or any part of the indebtedness that will cause the consolidated city to exceed the limitations on the amount of indebtedness that the consolidated city may incur. The rights of the trustee and the bondholders with respect to any:

(1) bonds or other indebtedness; or

(2) bond resolution, trust agreement or indenture, security agreement, purchase agreement, or other undertaking with respect to indebtedness;

remain the same, although the powers, duties, agreements, and liabilities of the entities listed in subsection (a) have been transferred to the consolidated city, and the consolidated city shall be considered to have assumed all of those powers, duties, agreements, and liabilities. Indebtedness related to fire protection services that is incurred by the consolidated city before the effective date of the consolidation shall remain the debt of the consolidated city and property taxes levied to pay the debt may only be levied by the fire special service district.

(f) (l) If the requirements of subsection (g) are satisfied and the fire department departments of an entity the entities listed in subsection (a) is are consolidated into the fire department of a consolidated city, the merit board and the merit system of the fire department departments that is are consolidated are dissolved on the effective date of the consolidation, and the duties of the merit boards are transferred to and assumed by the merit board for the consolidated

fire department on the effective date of the consolidation.

(g) A township legislative body, after approval by the township trustee, may adopt a resolution approving the consolidation of the township's fire department with the fire department of the consolidated city. A township legislative body may adopt a resolution under this subsection only after the township legislative body has held a public hearing concerning the proposed consolidation. The township legislative body shall hold the hearing not earlier than thirty (30) days after the date the resolution is introduced. The hearing shall be conducted in accordance with IC 5-14-1.5 and notice of the hearing shall be published in accordance with IC 5-3-1. If the township legislative body has adopted a resolution under this subsection, the township legislative body shall, after approval from the township trustee, forward the resolution to the legislative body of the consolidated city. If such a resolution is forwarded to the legislative body of the consolidated city, the legislative body of the consolidated city may adopt an ordinance, approved by the mayor of the consolidated city, approving the consolidation of the fire department of the township into the fire department of the consolidated city and the requirements of this subsection are satisfied. The consolidation shall take effect on the date agreed to by the township legislative body in its resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.

(h) (m) The following apply if the requirements of subsection (g) are satisfied: **fire departments of the entities listed in subsection (a) are consolidated into the fire department of a consolidated city:**

(1) The consolidation of the fire department of that township is effective on the date agreed to by the township legislative body in its resolution and by the legislative body of the consolidated city in its ordinance approving the consolidation.

(2) (1) Notwithstanding any other provision, a firefighter:

(A) who is a member of the 1977 fund before the effective date of a consolidation under this section; and

(B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section; remains a member of the 1977 fund without being required to meet the requirements under IC 36-8-19 and IC 36-8-21. The firefighter shall receive credit for any service as a member of the 1977 fund before the consolidation to determine the firefighter's eligibility for benefits under IC 36-8-8.

(3) (2) Notwithstanding any other provision, a firefighter:

(A) who is a member of the 1937 fund before the effective date of a consolidation under this section; and

(B) who, after the consolidation, becomes an employee of the fire department of a consolidated city under this section; remains a member of the 1937 fund. The firefighter shall receive credit for any service as a member of the 1937 fund before the consolidation to determine the firefighter's eligibility for benefits under IC 36-8-7.

(4) For property taxes first due and payable in the year in which the consolidation is effective, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:

(A) is increased for the consolidated city by an amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services by the township whose fire department is consolidated into the fire department of the consolidated city under this section; and

(B) is reduced for the township whose fire department is consolidated into the fire department of the consolidated city under this section by the amount equal to the maximum permissible ad valorem property tax levy in the year preceding the year in which the consolidation is effective for fire protection and related services for the township.

(5) The amount levied in the year preceding the year in which the consolidation is effective by the township whose fire department is consolidated into the fire department of the consolidated city for the township's cumulative building and equipment fund for fire protection and related services is transferred on the effective date of the consolidation to the consolidated city's cumulative building and equipment fund for fire protection and related services, which is hereby established:

The consolidated city is exempted from the requirements of IC 36-8-14 and IC 6-1.1-41 regarding establishment of the cumulative building and equipment fund for fire protection and related services.

(6) (3) The local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund of the township **entities listed in subsection (a)** are dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the consolidated city's local board for the 1937 firefighters' pension fund and local board for the 1977 police officers' and firefighters' pension and disability fund, respectively. Notwithstanding any other provision, the legislative body of the consolidated city may adopt an ordinance to adjust the membership of the consolidated city's local board to reflect the consolidation.

(7) The consolidated city may levy property taxes within the consolidated city's maximum permissible ad valorem property tax levy limit to provide for the payment of the expenses for the operation of the consolidated fire department. However, property taxes to fund the pension obligation under IC 36-8-7 for members of the 1937 firefighters fund who were employees of the consolidated city at the time of the consolidation may be levied only by the fire special service district within the fire special service district. The fire special service district established under IC 36-3-1-6 may levy property taxes to provide for the payment of expenses for the operation of the consolidated fire department within the territory of the police special service district. Property taxes to fund the pension obligation under IC 36-8-8 for members of the 1977 police officers' and firefighters' pension and disability fund who were members of the fire department of the consolidated city on the effective date of the consolidation may be levied only by the fire special service district within the fire special service district. Property taxes to fund the pension obligation for members of the 1937 firefighters fund who were not members of the fire department of the consolidated city on the effective date of the consolidation and members of the 1977 police officers' and firefighters' pension and disability fund who were not members of the fire department of the consolidated city on the effective date of the consolidation may be levied by the consolidated city within the city's maximum permissible ad valorem property tax levy. However, these taxes may be levied only within the fire special service district and any townships that have consolidated fire departments under this section.

(8) (4) The executive of the consolidated city shall provide for an independent evaluation and performance audit, due before March 1 of the year in which the consolidation is effective and **for before March 1 in each of the following two (2) years**, to determine:

(A) the amount of any cost savings, operational efficiencies, or improved service levels; and

(B) any tax shifts among taxpayers;

that result from the consolidation. The independent evaluation and performance audit must be provided to the legislative council in an electronic format under IC 5-14-6 and to the state budget committee.

SECTION 7. IC 36-3-1-6.2, AS ADDED BY P.L.227-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.2. (a) If a consolidated fire department is established under section 6.1 of this chapter, the consolidated city, through the consolidated fire department, shall after the consolidation establish, operate, and maintain emergency ambulance services (as defined in IC 16-18-2-107) in the fire special service district and in those townships in the county that are consolidated under section 6.1 of this chapter.

(b) This section does not prohibit the providing of emergency ambulance services under an interlocal agreement under IC 36-1-7.

SECTION 8. IC 36-3-1-6.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.3. (a) **A consolidated fire department may not provide fire protection services for:**

(1) an excluded city; or

(2) a fire protection territory for which an excluded city is a provider unit (as defined in IC 36-8-19-3);

unless the fire protection services are provided under an interlocal agreement under IC 36-1-7 or the conditions in subsection (b) are met.

(b) For the consolidated fire department to provide fire protection services to an excluded city other than under an interlocal agreement under IC 36-1-7, all the following must occur:

(1) The legislative body of the excluded city and the city-county legislative body must adopt substantially similar ordinances authorizing the consolidation of the fire department of the excluded city into the consolidated fire department.

(2) The ordinances described in subdivision (1) must:

(A) specify the effective date of the consolidation; and

(B) set forth the conditions of the consolidation.

(c) After the effective date of the consolidation described in subsection (b), the consolidated fire department shall provide fire protection services within the territory of the excluded city.

(d) After the effective date of the consolidation described in subsection (b), all the property, equipment, records, rights, and contracts of the fire department of the excluded city are transferred to and assumed by the consolidated city. Any balance in an excluded city's cumulative building and equipment fund for fire protection and related services established under IC 36-8-14 before the effective date of the consolidation shall not be transferred to the consolidated city but shall be transferred first to a dedicated city fund and used to pay pension obligations under the 1937 firefighters' pension fund, if the excluded city has any unfunded liability for pension obligations for its firefighters under the 1937 firefighters' pension fund, and if any balance remains after that transfer for pension obligations the remaining balance shall be transferred to any other cumulative fund or rainy day fund established by the excluded city before the effective date of the consolidation. However, if the excluded city has not established another cumulative fund or rainy day fund before the effective date of the consolidation into which any remaining balance may be transferred, the remaining balance shall instead be transferred to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund. The balances in any rainy day funds established by an excluded city for any purpose are not transferred to the consolidated city.

(e) After the effective date of the consolidation described in subsection (b), the employees of the fire department of the excluded city cease employment with the excluded city and become employees of the consolidated fire department. These employees are not hired or rehired for purposes of IC 36-8-3.2 or IC 36-8-10.5 upon becoming employees of the consolidated fire department. The consolidated city shall assume all agreements with labor organizations that:

(1) are in effect after the effective date of the consolidation described in subsection (b); and

(2) apply to employees of the fire department of the excluded city who become employees of the consolidated fire department.

(f) Except as provided in subsection (h), the consolidated city shall assume, defease, pay, or refund all indebtedness related to fire protection services incurred before the effective date of the consolidation described in subsection (b) by:

(1) an excluded city; or

(2) a building, holding, or leasing corporation on behalf of an excluded city;

whose fire department is consolidated into the consolidated fire department under subsection (b).

(g) Notwithstanding any other law, to assume, defease, pay, or refund all or a part of the indebtedness described in subsection (f), the consolidated city is not required to comply with any other statutory procedures or approvals that apply when a unit incurs indebtedness.

(h) Notwithstanding subsections (f) and (g), the consolidated city may not assume all or a part of the indebtedness described in

subsection (f) that will cause the consolidated city to exceed the limitations on the amount of indebtedness that the consolidated city may incur.

(i) The rights of the trustee and the bondholders with respect to any:

(1) indebtedness or bonds; or

(2) bond resolution, trust agreement or indenture, security agreement, purchase agreement, or other undertaking described in subsection (f);

remain the same, although the powers, duties, agreements, and liabilities of the departments listed in subsection (a) have been transferred to the consolidated city, and the consolidated city shall be considered to have assumed all those powers, duties, agreements, and liabilities.

(j) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), the local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund of the excluded city are dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the consolidated city's local board for the 1937 firefighters' pension fund and local board for the 1977 police officers' and firefighters' pension and disability fund, respectively.

(k) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), the merit board and merit system of the excluded city's fire department are dissolved, and the duties of the excluded city's merit board are transferred to and assumed by the merit board for the consolidated fire department.

(l) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), commencing with the calendar year following consolidation and for each year thereafter, the excluded city's monthly distributive share of county option income tax revenues distributed under IC 6-3.5-6-18.5 shall be reduced by a percentage set forth in the ordinances adopted under subsection (b), and those revenues shall instead be distributed to the consolidated fire department taxing district and deposited in the consolidated fire department taxing district fund.

(m) If an excluded city consolidates its fire department into the consolidated fire department under subsection (b) before December 31, 2010, the excluded city shall appoint one (1) representative to the metropolitan board of fire commissioners as a full voting member.

SECTION 9. IC 36-3-1-6.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.4. (a) This section applies only to a county having a consolidated city and only if a consolidated fire department is established in the county under section 6.1 of this chapter.

(b) As used in this section, "taxing district" refers to the consolidated fire department taxing district established in subsection (c).

(c) If a consolidated fire department is established under section 6.1 of this chapter, the consolidated fire department taxing district is established in the county. The taxing district consists of all territory in the county except territory of an excluded city that has not consolidated its fire department under section 6.3 of this chapter.

(d) The taxing district shall levy a property tax within the territory of the taxing district to pay for the following:

(1) Providing fire protection services and emergency ambulance services within the territory of the taxing district and providing for the operation of the consolidated fire department.

(2) Providing any equipment, buildings, or land that is necessary for the consolidated fire department and for providing fire protection services and emergency ambulance services within the territory of the taxing district.

The property tax levy under this section is separate from other property tax levies of the consolidated city, and a separate maximum permissible property tax levy shall be collected for the

taxing district. All revenue collected from the tax levied under this subsection shall be deposited in a consolidated fire department fund.

(e) The taxing district shall levy a property tax within the territory of the taxing district to pay for the following:

- (1) Any indebtedness assumed, defeased, paid, or refunded under section 6.1 or 6.3 of this chapter.
- (2) Any indebtedness issued by the consolidated city, either before or after the consolidated fire department is established, to pay for fire protection services, emergency services, or equipment, buildings, or land related to fire protection services or emergency medical services.

The property tax levy collected under this subsection shall be deposited in a consolidated fire department debt service fund.

(f) Money in the consolidated fire department fund shall be used for the purposes described in subsection (d), and money in the consolidated fire department debt service fund shall be used for the purposes described in subsection (e). The county auditor shall administer the funds and is responsible for the issuance of warrants for payments from the funds. The county auditor may take actions necessary to administer the funds without the approval of the controller of the consolidated city.

(g) Property taxes to fund the pension obligation under IC 36-8-7 for members of the 1937 firefighters fund who are employees or retired employees of the consolidated city on January 1, 2008, may be levied only by the fire special service district created by section 6 of this chapter within the territory of the fire special service district and may not be levied by the taxing district.

(h) In the case of a township or an excluded city that consolidates its fire department under this section:

- (1) the liability for the payment of pension obligations under IC 36-8-7 for members of the 1937 firefighters fund who are employees or retired employees of the township or excluded city at the time of the consolidation remains with the township or excluded city; and
- (2) property taxes to fund the township's or excluded city's pension obligation described in subdivision (1) may be imposed by the township or excluded city only within the township or excluded city.

(i) For property taxes first due and payable in the first calendar year in which property taxes are imposed by the consolidated city under this section in the taxing district, the maximum permissible ad valorem property tax levy of the taxing district under IC 6-1.1-18.5 is equal to the sum of:

- (1) the sum of the property tax levies for taxes first due and payable in the preceding year for fire protection and related services (excluding debt) by each:
 - (A) township;
 - (B) airport authority; or
 - (C) fire protection territory;

whose fire department is consolidated into the fire department of the consolidated city under section 6.1 of this chapter, excluding amounts paid for pension obligations under IC 36-8-7 for members of the 1937 firefighters fund;

- (2) the amount paid from the consolidated city's property tax levy during the preceding year for fire protection and related services (excluding debt); and
- (3) the amount paid from the fire special service district's property tax levy during the preceding year for fire protection and related services, excluding amounts paid from the fire special service district's property tax levy to pay the consolidated city's pension obligation under IC 36-8-7 for members of the 1937 firefighters' pension fund.

However, the department of local government finance shall adjust any budgets, tax rates, and tax levies of the consolidated city, townships in the county, the taxing district, excluded cities that have consolidated fire departments under section 6.3 of this chapter, and the airport authority as necessary to reflect the establishment of a consolidated fire department.

(j) For property taxes first due and payable in the first calendar year in which property taxes are imposed by the consolidated city under this section in the taxing district, the

maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:

- (1) is decreased for each township, the airport authority, and any fire protection territory by the amount included in the taxing district's maximum permissible ad valorem property tax levy under subsection (i)(1) from the township, airport authority, or fire protection territory;
- (2) is decreased for the consolidated city by the amount included in the taxing district's maximum permissible ad valorem property tax levy under subsection (i)(2); and
- (3) is decreased for the fire special service district by an amount equal to the amount included in the taxing district's maximum permissible ad valorem property tax levy under subsection (i)(3).

SECTION 10. IC 36-3-2-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) This section applies if:

- (1) a township fire department, fire protection district, or fire protection territory is consolidated into the fire department of a consolidated city under IC 36-3-1-6.1; and
- (2) the township fire department, fire protection district, or fire protection territory has at least one (1) full-time, fully paid firefighter.

(b) A firefighter described in subsection (a)(2) is entitled to employment as a full-time, fully paid firefighter of the fire department of the consolidated city at not less than:

- (1) the same merit or permanent rank; or
- (2) a rank in the merit system of the fire department of a consolidated city that is equivalent to the merit or permanent rank;

that the firefighter held on the later of the date this section was enacted into law or the date the firefighter fills a vacant position through a merit testing process.

(c) The fire department of:

- (1) the consolidated city; and
- (2) the township, fire protection district, or fire protection territory;

may not reduce or terminate the employment or benefits of a full-time, fully paid firefighter who is employed before the effective date of the consolidation because of or to facilitate the consolidation.

(d) This section does not prohibit a fire department, fire protection district, or fire protection territory from taking disciplinary action for cause against a full-time, fully paid firefighter, including suspending, reducing in rank, or discharging the firefighter.

(e) This section does not apply to a firefighter employed by the airport authority on the effective date of the consolidation.

SECTION 11. IC 36-3-2-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies after June 30, 2006.

(b) As used in this section, "relative" means:

- (1) a husband;
- (2) a wife;
- (3) a father;
- (4) a mother;
- (5) a son or son-in-law;
- (6) a daughter or daughter-in-law;
- (7) a brother;
- (8) a sister;
- (9) an aunt;
- (10) an uncle;
- (11) a niece; or
- (12) a nephew.

(c) An individual who is a relative of a member of a board, committee, council, or commission or the head of any office, department, or institution may not:

- (1) be employed in any position with the:
 - (A) board, committee, council, or commission of which the individual's relative is a member; or
 - (B) office, department, or institution that is headed by the individual's relative; or

(2) receive any compensation as an employee for services from any appropriation by a political subdivision subject to this chapter.

(d) An individual may not be employed in a position in which the individual would have a direct supervisory or subordinate relationship with the individual's relative.

(e) This section does not apply to the following:

(1) An individual employed in the same position with the board, committee, council, commission, office, department, or institution for at least twelve (12) consecutive months immediately before the appointment or election of the individual's relative as a member of the board, committee, council, or commission or head of the office, department, or institution.

(2) The employment of any law enforcement officer or firefighter who is under the jurisdiction of a merit commission established under IC 36-8-3.5.

(f) This section does not require the termination or reassignment of any employee of a political subdivision from any position held by that individual on and continuously after June 30, 2006."

Delete page 22.

Page 23, delete lines 1 through 18.

Page 24, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 14. IC 36-3-6-4.1 IS ADDED TO INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.1. Notwithstanding IC 36-8-7, if a consolidated fire department is established under IC 36-3-1-6.1, the city-county legislative body shall adopt an ordinance to levy a property tax only within the fire special service district in the amount and at the rate necessary to produce sufficient revenue to pay amounts required to satisfy the consolidated city's 1937 firefighters' pension fund obligations under IC 36-8-7-14 for persons who are employees or retired employees of the consolidated city on January 1, 2008."

Page 24, delete lines 30 through 42, begin a new paragraph and insert:

"SECTION 16. IC 36-3-7-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before the effective date of a consolidation under IC 36-3-1-6.1, in the name of:

- (1) a township;
- (2) an airport authority;
- (3) a fire protection territory; or
- (4) a building, holding, or leasing corporation on behalf of a township, an airport authority, or a fire protection territory;

to satisfy the requirements of IC 36-3-1-6.1.

(b) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before the effective date of a consolidation under IC 36-3-1-6.3 by:

- (1) an excluded city; or
- (2) a building, holding, or leasing corporation on behalf of an excluded city;

to satisfy the requirements of IC 36-3-1-6.3.

SECTION 17. IC 36-3-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 8. Township Review Board

Sec. 1. This chapter applies only to a county containing a consolidated city.

Sec. 2. As used in this chapter, "board" refers to the township review board established by section 3 of this chapter.

Sec. 3. The township review board is established.

Sec. 4. (a) The board consists of the following members:

- (1) The deputy mayor for public and neighborhood affairs of the consolidated city, who shall serve as the board chairperson.
- (2) The township trustee of each of the nine (9) townships in the county.

(3) One (1) member appointed by the president of the city-county council.

(4) One (1) member appointed by the mayor of the consolidated city upon the recommendation of the president of the Marion County Alliance of Neighborhood Associations.

(5) One (1) member appointed by the mayor of the consolidated city upon the recommendation of the president of the Greater Indianapolis Chamber of Commerce.

(6) One (1) member appointed by the secretary of the Indiana family and social services administration.

(b) An appointing authority must make appointments under subsection (a) not later than July 1, 2006.

(c) The deputy mayor for public and neighborhood affairs must call the first meeting of the board before August 1, 2006. At the first meeting of the board, the members of the board shall elect a chairperson.

(d) If a member ceases to be employed in the position or hold the office required for appointment to the board, the member ceases to be a member of the board, and the original appointing authority shall appoint an individual to serve on the board for the remainder of the board's term.

Sec. 5. (a) A majority of the members appointed to and serving on the board constitutes a quorum for a meeting of the board.

(b) The affirmative vote of a majority of the members appointed to and serving on the board is necessary for the board to take official action.

(c) The board shall meet on the call of the chairperson.

Sec. 6. Members of the board are not entitled to any salary or per diem for participation on the board.

Sec. 7. The board shall do the following:

(1) Conduct field studies and audits to determine how best to serve constituents throughout the county after the consolidation, joint performance, or transfer of city, county, and township functions, taking into account the efficiencies that may be achieved.

(2) Make recommendations concerning the number and location of community resource centers in the county.

(3) Identify city and township services that may be provided jointly or through interlocal cooperation agreements, and make recommendations concerning the joint location of those services with other federal, state, or local government agencies.

(4) Identify which of the services provided by the township trustees or recommended to be transferred to township trustees may be located in the community resource centers.

(5) Develop a community education plan to familiarize citizens with the provision of services by various methods throughout the county.

(6) Review functions performed in the county by township trustees under IC 36-6-4-3 and make recommendations concerning any statutory changes necessary to achieve greater efficiency and lower costs in the provision of those services.

(7) Identify any services performed by the state under IC 12-8 that should be transferred to or administered jointly with townships in the county.

(8) Review the operation of small claims courts in the county.

(9) Study and make recommendations concerning the role and composition of the existing township board structure.

(10) Provide a report before December 31 of each year to the legislative body of the county containing a consolidated city and in an electronic format under IC 5-14-6 to the legislative council.

Sec. 8. (a) The board is abolished December 31, 2008.

(b) This chapter expires January 1, 2009.

SECTION 18. IC 36-6-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The executive may use the township's share of state, county, and township tax revenues and federal revenue sharing funds for all categories of community services, if these funds are appropriated for these services by the township legislative body. The executive may use these funds for both operating and capital expenditures.

(b) With the consent of the township legislative body, the executive may contract with corporations for health and community services not specifically provided by another governmental entity.

(c) **Except in a township located in a county having a consolidated city after the effective date of the consolidation of fire departments under IC 36-3-1-6.1**, the executive may contract with a private person to provide regular or emergency ambulance service within the township. The contract may provide for the imposition and collection of fees for this service.

(d) **Except in a township located in a county having a consolidated city after the effective date of the consolidation of fire departments under IC 36-3-1-6.1**, the township legislative body may adopt a resolution to provide for the imposition and collection of fees for ambulance services provided by the township police or fire department.

SECTION 19. IC 36-8-4.3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to a police ~~or fire~~ special service district created by IC 36-3-1-6 **and to a consolidated fire department established under IC 36-3-1-6.1.**

SECTION 20. IC 36-8-4.3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A special service district **or a consolidated fire department established under IC 36-3-1-6.1** shall pay for the care of:

- (1) a full-time, paid police officer who:
 - (A) suffers an injury; or
 - (B) contracts an illness;
 during the performance of the officer's duty; or
- (2) a full-time, paid firefighter who:
 - (A) suffers an injury; or
 - (B) contracts an illness;
 during the performance of the firefighter's duty.

(b) The special service district **or the consolidated fire department established under IC 36-3-1-6.1** shall pay for the following expenses incurred by a police officer or firefighter described in subsection (a):

- (1) Medical and surgical care.
- (2) Medicines and laboratory, curative, and palliative agents and means.
- (3) X-ray, diagnostic, and therapeutic service, including during the recovery period.
- (4) Hospital and special nursing care if the physician or surgeon in charge considers it necessary for proper recovery.

(c) Expenditures required by subsection (a) shall be paid from the general fund of the special service district.

(d) A special service district **or a consolidated fire department established under IC 36-3-1-6.1** that has paid for the care of a police officer or firefighter under subsection (a) has a cause of action for reimbursement of the amount paid under subsection (a) against any third party against whom the police officer or firefighter has a cause of action for an injury sustained because of, or an illness caused by, the third party. The special service district's **or consolidated fire department's** cause of action under this subsection is in addition to, and not in lieu of, the cause of action of the police officer or firefighter against the third party.

SECTION 21. IC 36-8-8-1, AS AMENDED BY P.L.227-2005, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to:

- (1) full-time police officers hired or rehired after April 30, 1977, in all municipalities, or who converted their benefits under IC 19-1-17.8-7 (repealed September 1, 1981);
- (2) full-time fully paid firefighters hired or rehired after April 30, 1977, or who converted their benefits under IC 19-1-36.5-7 (repealed September 1, 1981);
- (3) a police matron hired or rehired after April 30, 1977, and before July 1, 1996, who is a member of a police department in a second or third class city on March 31, 1996;
- (4) a park ranger who:
 - (A) completed at least the number of weeks of training at the Indiana law enforcement academy or a comparable law enforcement academy in another state that were required at the time the park ranger attended the Indiana law enforcement academy or the law enforcement academy in

another state;

(B) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and
(C) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

(5) a full-time fully paid firefighter who is covered by this chapter before the effective date of consolidation and becomes a member of the fire department of a consolidated city under IC 36-3-1-6.1 ~~provided that or IC 36-3-1-6.3~~; **however**, the firefighter's service as a member of the fire department of a consolidated city is considered active service under this chapter;

(6) except as otherwise provided, a full-time fully paid firefighter who is hired or rehired after the effective date of the consolidation by a consolidated fire department established under IC 36-3-1-6.1;

(7) a full-time police officer who is covered by this chapter before the effective date of consolidation and becomes a member of the consolidated law enforcement department as part of the consolidation under IC 36-3-1-5.1, provided that the officer's service as a member of the consolidated law enforcement department is considered active service under this chapter; and

(8) except as otherwise provided, a full-time police officer who is hired or rehired after the effective date of the consolidation by a consolidated law enforcement department established under IC 36-3-1-5.1;

except as provided by section 7 of this chapter.

SECTION 22. IC 36-8-8-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.1. (a) As used in this chapter, "local board" means the following:

(1) For a unit that established a 1925 fund for its police officers, the local board described in IC 36-8-6-2.

(2) **Except as provided in subdivision (3)**, for a unit that established a 1937 fund for its firefighters, the local board described in IC 36-8-7-3.

(3) **For a unit that established a 1937 fund for its firefighters and consolidates its fire department into the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3:**

(A) **before the date the consolidation is effective, the local board described in IC 36-8-7-3; and**

(B) **on and after the date the consolidation is effective, the local board of the consolidated city established under IC 36-8-7-3.**

~~(4)~~ (4) For a consolidated city that established a 1953 fund for its police officers, the local board described in IC 36-8-7.5-2.

~~(5)~~ (5) For a unit, other than a consolidated city, that did not establish a 1925 fund for its police officers or a 1937 fund for its firefighters, the local board described in subsection (b) or (c).

(b) If a unit did not establish a 1925 fund for its police officers, a local board shall be composed in the same manner described in IC 36-8-6-2(b). However, if there is not a retired member of the department, no one shall be appointed to that position until such time as there is a retired member.

(c) **Except as provided in subsection (d)**, if a unit did not establish a 1937 fund for its firefighters, a local board shall be composed in the same manner described in IC 36-8-7-3(b). However, if there is not a retired member of the department, no one shall be appointed to that position until such time as there is a retired member.

(d) **If a unit located in a county containing a consolidated city did not establish a 1937 fund for its firefighters and consolidates its fire department into the fire department of the consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3, the local board is:**

(1) **before the effective date of the consolidation, the local board described in IC 36-8-7-3; and**

(2) **on and after the effective date of the consolidation, the local board of the consolidated city established under IC 36-8-7-3.**

SECTION 23. IC 36-8-8-7, AS AMENDED BY P.L.227-2005, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Except as provided in

subsections (d), (e), (f), (g), (h), (k), (l), ~~and (m): and (n):~~

- (1) a police officer; or
- (2) a firefighter;

who is less than thirty-six (36) years of age and who passes the baseline statewide physical and mental examinations required under section 19 of this chapter shall be a member of the 1977 fund and is not a member of the 1925 fund, the 1937 fund, or the 1953 fund.

(b) A police officer or firefighter with service before May 1, 1977, who is hired or rehired after April 30, 1977, may receive credit under this chapter for service as a police officer or firefighter prior to entry into the 1977 fund if the employer who rehires the police officer or firefighter chooses to contribute to the 1977 fund the amount necessary to amortize the police officer's or firefighter's prior service liability over a period of not more than forty (40) years, the amount and the period to be determined by the PERF board. If the employer chooses to make the contributions, the police officer or firefighter is entitled to receive credit for the police officer's or firefighter's prior years of service without making contributions to the 1977 fund for that prior service. In no event may a police officer or firefighter receive credit for prior years of service if the police officer or firefighter is receiving a benefit or is entitled to receive a benefit in the future from any other public pension plan with respect to the prior years of service.

(c) Except as provided in section 18 of this chapter, a police officer or firefighter is entitled to credit for all years of service after April 30, 1977, with the police or fire department of an employer covered by this chapter.

(d) A police officer or firefighter with twenty (20) years of service does not become a member of the 1977 fund and is not covered by this chapter, if the police officer or firefighter:

- (1) was hired before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981); and
- (3) is rehired after April 30, 1977, by the same employer.

(e) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the police officer or firefighter:

- (1) was hired before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);
- (3) was rehired after April 30, 1977, but before February 1, 1979; and
- (4) was made, before February 1, 1979, a member of a 1925, 1937, or 1953 fund.

(f) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the police officer or firefighter:

- (1) was hired by the police or fire department of a unit before May 1, 1977;
- (2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);
- (3) is rehired by the police or fire department of another unit after December 31, 1981; and
- (4) is made, by the fiscal body of the other unit after December 31, 1981, a member of a 1925, 1937, or 1953 fund of the other unit.

If the police officer or firefighter is made a member of a 1925, 1937, or 1953 fund, the police officer or firefighter is entitled to receive credit for all the police officer's or firefighter's years of service, including years before January 1, 1982.

(g) As used in this subsection, "emergency medical services" and "emergency medical technician" have the meanings set forth in IC 16-18-2-110 and IC 16-18-2-112. A firefighter who:

- (1) is employed by a unit that is participating in the 1977 fund;
- (2) was employed as an emergency medical technician by a political subdivision wholly or partially within the department's jurisdiction;
- (3) was a member of the public employees' retirement fund during the employment described in subdivision (2); and
- (4) ceased employment with the political subdivision and was hired by the unit's fire department due to the reorganization of emergency medical services within the department's jurisdiction;

shall participate in the 1977 fund. A firefighter who participates in the 1977 fund under this subsection is subject to sections 18 and 21 of this chapter.

(h) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the individual was appointed as:

- (1) a fire chief under a waiver under IC 36-8-4-6(c); or
 - (2) a police chief under a waiver under IC 36-8-4-6.5(c);
- unless the executive of the unit requests that the 1977 fund accept the individual in the 1977 fund and the individual previously was a member of the 1977 fund.

(i) A police matron hired or rehired after April 30, 1977, and before July 1, 1996, who is a member of a police department in a second or third class city on March 31, 1996, is a member of the 1977 fund.

(j) A park ranger who:

- (1) completed at least the number of weeks of training at the Indiana law enforcement academy or a comparable law enforcement academy in another state that were required at the time the park ranger attended the Indiana law enforcement academy or the law enforcement academy in another state;
 - (2) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and
 - (3) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);
- is a member of the fund.

(k) Notwithstanding any other provision of this chapter, a police officer or firefighter:

- (1) who is a member of the 1977 fund before a consolidation under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;**
- (2) whose employer is consolidated into the **consolidated law enforcement department or the fire department** of a consolidated city under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;** and
- (3) who, after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1, ~~or~~ IC 36-3-1-6.1, **or IC 36-3-1-6.3;**

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(l) Notwithstanding any other provision of this chapter, a police officer or firefighter who:

- (1) before a consolidation under IC 36-3-1-5.1 or IC 36-3-1-6.1, provides law enforcement services or fire protection services for an entity in a consolidated city;
- (2) has the provision of those services consolidated into the **consolidated law enforcement department or the fire department** of a consolidated city **under IC 36-3-1-5.1 or IC 36-3-1-6.1;** and
- (3) after the consolidation, becomes an employee of the consolidated law enforcement department or the consolidated fire department under IC 36-3-1-5.1 or IC 36-3-1-6.1;

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(m) A police officer or firefighter who is a member of the 1977 fund under subsection (k) or (l):

- (1) may not be:
 - ~~(1) (A)~~ retired for purposes of section 10 of this chapter; or
 - ~~(2) (B)~~ disabled for purposes of section 12 of this chapter; solely because of a change in employer under the consolidation; and
- (2) **shall receive credit for all years of service as a member of the 1977 fund before the consolidation described in subsection (k) or (l).**

SECTION 24. IC 36-8-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to all units except counties. **However, this chapter applies to a county containing a consolidated city if a consolidated fire department is established under IC 36-3-1-6.1.**

SECTION 25. IC 36-8-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) To provide for the cumulative building and equipment fund established under this

chapter, the legislative body may levy a tax on all taxable property within the ~~taxing district unit, fire protection district, or territory of a consolidated fire department taxing district~~ in compliance with IC 6-1.1-41. The tax rate may not exceed three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of assessed valuation of property in the ~~taxing district unit, fire protection district, or consolidated fire department taxing district~~.

(b) As the tax is collected, it shall be deposited in a qualified public depository or depositories and held in a special fund to be known as:

(1) the "building or remodeling, firefighting, and police radio equipment fund" in the case of a municipality ~~or consolidated fire department taxing district; or as~~

(2) the "building or remodeling and fire equipment fund" in the case of a township or fire protection district.

(c) **Notwithstanding IC 6-1.1-41 or any other law, if a consolidated fire department is established under IC 36-3-1-6.1:**

(1) **a cumulative building and equipment fund is established for the county containing a consolidated city; and**

(2) **the legislative body of the county containing a consolidated city may levy a tax under this chapter beginning in the calendar year following the year in which the consolidated fire department is established.**

A tax levied under this chapter by a county containing a consolidated city may only be levied within the territory of the consolidated fire department taxing district.

SECTION 26. [EFFECTIVE UPON PASSAGE] **The general assembly finds that the consolidated city and townships in the county containing a consolidated city are unique because of their size, population density, and absence of unincorporated areas.**

SECTION 27. [EFFECTIVE UPON PASSAGE] **The legislative services agency shall prepare legislation for introduction in the 2007 regular session of the general assembly to organize and correct statutes affected by this act, if necessary.**

SECTION 28. **An emergency is declared for this act."**

Delete pages 25 through 35.

Renumber all SECTIONS consecutively.

(Reference is to SB 1 as printed January 27, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BUCK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred Engrossed Senate Bill 27, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 7.1-1-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. ~~Construction:~~ (a) This title is an exercise of the police powers of the state.

(b) The classifications and differentiations made in this title are real and are actually and substantially related to the accomplishment of the purposes of this title. ~~The provisions of this title shall be liberally construed so as to effectuate the purposes of this title.~~

(c) **A permittee has only powers expressly granted by statute and the rules of the commission.**

(d) **In accordance with IC 1-1-1-8, if any provision of this title is held to be invalid or unconstitutional, it is the intention of the state that the remaining provisions of the affected chapter be construed to:**

(1) **further limit rather than expand commerce in alcoholic beverages; and**

(2) **maintain a transparent and accountable three (3) tier system of alcoholic beverage distribution by a person with a substantial presence in Indiana.**

SECTION 2. IC 7.1-1-3-40.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2006]: **Sec. 40.5. "Sales clerk" means a person who:**

(1) **rings up; or**

(2) **otherwise records;**

an alcoholic beverage sale in the course of the person's employment in a dealer establishment.

SECTION 3. IC 7.1-2-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) The commission shall have the power to regulate and prohibit advertising, signs, displays, posters, and designs intended to advertise an alcoholic beverage or the place where alcoholic beverages are sold.

(b) The commission shall not exercise the prohibition power contained in subsection (a), as to any advertisement appearing in a newspaper which:

(1) is published at least once a week;

(2) regularly publishes information of current news interest to the community; and

(3) circulates generally to the public in any part of this state, regardless of where printed.

However, a newspaper shall not include publications devoted to special interests such as labor, religious, fraternal, society, or trade publications or journals, or publications owned or issued by political organizations or parties.

(c) The commission shall not exercise the prohibition power contained in subsection (a) as to any advertisement broadcast over duly licensed radio and television stations.

(d) All advertisements relating to alcoholic beverages, whether published in a newspaper or broadcast over radio or television, shall conform to the rules and regulations of the commission.

(e) The commission shall not exercise the prohibition power contained in subsection (a) as to advertising in the official program of the Indianapolis 500 Race or the Madison Regatta, Inc., Hydroplane Race.

(f) Notwithstanding any other law, the commission may not prohibit the use of an illuminated sign advertising alcoholic beverages by brand name that is displayed within the interior or on the exterior of the premises covered by the permit, regardless of whether the sign is illuminated constantly or intermittently. However, it is unlawful for a primary source of supply or a wholesaler of alcoholic beverages to sell, give, supply, furnish, or grant to, or maintain for, a retail or dealer permittee an illuminated advertising sign **in a manner that violates the trade practice restrictions of the commission or this title**. It is unlawful for a retail or dealer permittee to receive, accept, display, or permit to be displayed, an illuminated advertising sign sold, given, supplied, furnished, granted, or maintained in violation of this subsection. **When a recipient receives an illuminated sign, the illuminated sign becomes the property and responsibility of the recipient.**

(g) The commission may not prohibit the advertisement of:

(1) alcoholic beverages; or

(2) a place where alcoholic beverages may be obtained;

in a program, scorecard, handbill, throw-away newspaper, or menu; however, those advertisements must conform to the rules of the commission.

SECTION 4. IC 7.1-3-1-14, AS AMENDED BY P.L.224-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 14. (a) It is lawful for an appropriate permittee, unless otherwise specifically provided in this title, to sell alcoholic beverages each day Monday through Saturday from 7 a.m., prevailing local time, until 3 a.m., prevailing local time, the following day. Sales shall cease wholly on Sunday at 3 a.m., prevailing local time, and not be resumed until the following Monday at 7 a.m., prevailing local time.

(b) It is lawful for the holder of a retailer's permit to sell the appropriate alcoholic beverages for consumption on the licensed premises only on Sunday from 10 a.m., prevailing local time, until 12:30 a.m., prevailing local time, the following day.

(c) It is lawful for the holder of a permit under this article to sell alcoholic beverages at athletic or sports events held on Sunday upon premises that:

(1) are described in section 25(a) of this chapter;

(2) are a facility used in connection with the operation of a paved track more than two (2) miles in length that is used

primarily in the sport of auto racing; or

(3) are being used for a professional or an amateur tournament; beginning one (1) hour before the scheduled starting time of the event or, if the scheduled starting time of the event is 1 p.m. or later, beginning at noon.

(d) It is lawful for the holder of a valid beer, wine, or liquor wholesaler's permit to sell to the holder of a valid retailer's or dealer's permit at any time.

(e) Notwithstanding subsection (b), if December 31 (New Year's Eve) is on a Sunday, it is lawful for the holder of a retailer's permit to sell the appropriate alcoholic beverages on Sunday, December 31, from 10 a.m., prevailing local time, until 3 a.m., prevailing local time, the following day.

SECTION 5. IC 7.1-3-1-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 25. (a) A city or county listed in this subsection that by itself or in combination with any other municipal body acquires by ownership or by lease any stadium, exhibition hall, auditorium, theater, convention center, or civic center may permit the retail sale of alcoholic beverages upon the premises if the governing board of the facility first applies for and secures the necessary permits as required by this title. The cities and counties to which this subsection applies are as follows:

- (1) A consolidated city or its county.
- (2) A city of the second class.
- (3) A county having a population of more than one hundred eighty-two thousand seven hundred ninety (182,790) but less than two hundred thousand (200,000).
- (4) A county having a population of more than one hundred seventy thousand (170,000) but less than one hundred eighty thousand (180,000).
- (5) A county having a population of more than one hundred thirty thousand (130,000) but less than one hundred forty-five thousand (145,000).
- (6) A county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).
- (7) A city having a population of more than five thousand one hundred thirty-five (5,135) but less than five thousand two hundred (5,200).
- (8) A county having a population of more than one hundred twenty thousand (120,000) but less than one hundred thirty thousand (130,000).
- (9) A county having a population of more than one hundred eighty thousand (180,000) but less than one hundred eighty-two thousand seven hundred ninety (182,790).

(b) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000) or a township located in such a county that has established a public park with a golf course within its jurisdiction under IC 36-10-3 or IC 36-10-7 may be issued a permit for the retail sale of alcoholic beverages on the premises of any community center within the park, including a clubhouse, social center, or pavilion.

(c) A township that:

- (1) is located in a county having a population of more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000); and
- (2) acquires ownership of a golf course;

may permit the retail sale of alcoholic beverages upon the premises of the golf course, if the governing board of the golf course first applies for and secures the necessary permits required by this title.

(d) A township:

- (1) having a population of more than thirty-five thousand (35,000) but less than one hundred thousand (100,000); and
- (2) located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000);

may be issued a permit for the retail sale of alcoholic beverages on the premises of any community center or social center that is located within the township and operated by the township.

(e) A city that

(1) has a population of:

- (A) more than fifty-nine thousand seven hundred (59,700) but less than sixty-five thousand (65,000); or**

(B) more than forty-six thousand five hundred (46,500) but less than fifty thousand (50,000); and

(2) owns a golf course

may permit the retail sale of alcoholic beverages upon the premises of the golf course if the governing board of the golf course first applies for and secures the necessary permits required by this title.

(f) A city that:

- (1) has a population of more than thirty-two thousand (32,000) but less than thirty-two thousand eight hundred (32,800); and
- (2) owns or leases a marina;

may permit the retail sale of alcoholic beverages upon the premises of the marina, if the governing board of the marina first applies for and secures the necessary permits required by this title. The permit may include the carryout sale of alcoholic beverages in accordance with IC 7.1-3-4-6(c), IC 7.1-3-9-9(c), IC 7.1-3-14-4(c), and 905 IAC 1-29 but may not include at-home delivery of alcoholic beverages.

(g) A city listed in this subsection that owns a marina may be issued a permit for the retail sale of alcoholic beverages on the premises of the marina. The permit may include the carryout sale of alcoholic beverages in accordance with IC 7.1-3-4-6(c), IC 7.1-3-9-9(c), IC 7.1-3-14-4(c), and 905 IAC 1-29 but may not include at-home delivery of alcoholic beverages. However, the city must apply for and secure the necessary permits that this title requires. This subsection applies to the following cities:

- (1) A city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).
- (2) A city having a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).
- (3) A city having a population of more than thirty-two thousand eight hundred (32,800) but less than thirty-three thousand (33,000).
- (4) A city having a population of more than thirty-three thousand (33,000) but less than thirty-six thousand (36,000).
- (5) A city having a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand four hundred (27,400).

(h) Notwithstanding subsection (a), the commission may issue a civic center permit to a person that:

- (1) by the person's self or in combination with another person is the proprietor, as owner or lessee, of an entertainment complex; or
- (2) has an agreement with a person described in subdivision (1) to act as a concessionaire for the entertainment complex for the full period for which the permit is to be issued."

Page 2, line 24, delete "alcohol" and insert **"alcoholic"**.

Page 6, between lines 11 and 12, begin a new paragraph and insert: **"SECTION 21. IC 7.1-3-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. Application:** The commission may issue a brewer's permit to a person who desires to commercially manufacture beer in Indiana.

SECTION 22. IC 7.1-3-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) Except as provided in subsection (b), the commission may issue a brewer's permit only to:

- (1) an individual;
- (2) a partnership ~~all the partners of which are bona fide residents of Indiana; domiciled in or admitted to do business in Indiana;~~
- (3) a limited liability company ~~all the members of which are bona fide residents of Indiana; domiciled in or admitted to do business in Indiana;~~
- (4) a corporation ~~organized and existing under the laws of Indiana, and having authority under its charter to manufacture or sell beer.~~

(b) The commission may issue a brewer's permit to a brewer for a brewery that manufactures not more than twenty thousand (20,000) barrels of beer in a calendar year to:

- (1) an individual;
- (2) a partnership ~~organized and existing under the laws of Indiana; domiciled in or admitted to do business in Indiana;~~
- (3) a limited liability company ~~organized and existing under the laws of Indiana; domiciled in or admitted to do business in Indiana;~~

(4) a corporation organized and existing under the laws of domiciled in or admitted to do business in Indiana.

SECTION 23. IC 7.1-3-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. The holder of a brewer's permit or an out-of-state brewer holding either a primary source of supply permit or an out-of-state brewer's permit may do only the following:

- (1) Manufacture beer.
- (2) Place beer in containers or bottles.
- (3) Transport beer.
- (4) Sell and deliver beer to a person holding a beer wholesaler's permit issued under IC 7.1-3-3.
- (5) If the brewer's brewery manufactures not more than twenty thousand (20,000) barrels of beer in a calendar year, do the following:

(A) Sell and deliver beer to a person holding a retailer or a dealer permit under this title.

(B) Be the proprietor of a restaurant.

(C) Hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant established under clause (B).

(D) Transfer beer directly from the brewery to the restaurant by means of:

- (i) bulk containers; or
- (ii) a continuous flow system.

(E) Install a window between the brewery and an adjacent restaurant that allows the public and the permittee to view both premises.

(F) Install a doorway or other opening between the brewery and an adjacent restaurant that provides the public and the permittee with access to both premises.

(G) Sell the brewery's beer by the glass for consumption on the premises. Brewers permitted to sell beer by the glass under this clause must furnish the minimum food requirements prescribed by the commission.

(H) Sell and deliver beer to a consumer at the plant of the brewer or at the residence of the consumer. The delivery to a consumer shall be made only in a quantity at any one (1) time of not more than one-half (½) barrel, but the beer may be contained in bottles or other permissible containers.

(6) If the brewer's brewery manufactures more than twenty thousand (20,000) barrels of beer in a calendar year, own a portion of the corporate stock of another brewery that:

(A) is located in the same county as the brewer's brewery;

(B) manufactures less than twenty thousand (20,000) barrels of beer in a calendar year; and

(C) is the proprietor of a restaurant that operates under subdivision (5).

~~(7) Sell and deliver beer to a consumer at the plant of the brewer or at the residence of the consumer. The delivery to a consumer shall be made only in a quantity at any one (1) time of not more than one-half (½) barrel, but the beer may be contained in bottles or other permissible containers.~~

~~(8) (7) Provide complimentary samples of beer that are:~~

(A) produced by the brewer; and

(B) offered to consumers for consumption on the brewer's premises.

~~(9) (8) Own a portion of the corporate stock of a sports corporation that:~~

(A) manages a minor league baseball stadium located in the same county as the brewer's brewery; and

(B) holds a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant located in that stadium.

~~(10) (9) For beer described in IC 7.1-1-2-3(a)(4):~~

(A) may allow transportation to and consumption of the beer on the licensed premises; and

(B) may not sell, offer to sell, or allow sale of the beer on the licensed premises.

SECTION 24. IC 7.1-3-5-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) A holder of a beer

dealer's permit must have at least one (1) employee who:

(1) works on the licensed premises; and

(2) holds an employee's permit under IC 7.1-3-18-9.

(b) Beginning January 1, 2007, a holder of a beer dealer's permit must ensure that a sales clerk working on the licensed premises receives training approved by the commission and provided by an employee described in subsection (a).

(c) The commission may adopt rules under IC 4-22-2 to implement this section.

SECTION 25. IC 7.1-3-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. ~~Persons Eligible for Permits:~~ The commission may issue a temporary beer permit to a person who is qualified to hold a beer retailer's permit and who has such other qualifications as the commission may prescribe by a provisional order until it adopts a rule or regulation on the matter. However, the special disqualifications listed in ~~IC 1971, 7.1-3-4-2(c), (h), and (m) and the residency requirements provided in IC 1971, 7.1-3-21-3, IC 7.1-3-4-2(a)(3), IC 7.1-3-4-2(a)(8), and IC 7.1-3-4-2(a)(13)~~ shall not apply to an applicant for a temporary beer permit.

SECTION 26. IC 7.1-3-10-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 14. (a) This section does not apply to a package liquor store.

(b) Beginning January 1, 2007, and except as provided in subsection (c), a holder of a liquor dealer's permit must display liquor for sale in a clearly designated area that forbids the presence of a minor unless the minor is accompanied by a parent or guardian who is at least twenty-one (21) years of age. Other alcoholic beverages may be displayed in a designated area where liquor is displayed under this subsection.

(c) The holder of a liquor dealer's permit is not required to comply with subsection (b) if the holder of the liquor dealer's permit:

(1) displays liquor in an area that does not exceed twenty-five (25) linear feet; and

(2) uses at least one (1) of the following security measures:

(A) The liquor is displayed behind a retail counter or in a locked display case.

(B) Each bottle of liquor for sale on the licensed premises has a security cap.

(C) The liquor is displayed adjacent to a pharmacy counter.

(d) Liquor may not be displayed within thirty (30) feet of a public entrance of a licensed premises.

(e) The commission may adopt rules under IC 4-22-2 to implement this section.

SECTION 27. IC 7.1-3-10-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 15. (a) This section does not apply to a package liquor store.

(b) A holder of a liquor dealer's permit must have at least one (1) employee who:

(1) works on the licensed premises; and

(2) holds an employee's permit under IC 7.1-3-18.

(c) Beginning January 1, 2007, a holder of a liquor dealer's permit must ensure that a sales clerk working on the licensed premises receives training approved by the commission and provided by an employee described in subsection (b).

(d) The commission may adopt rules under IC 4-22-2 to implement this section.

SECTION 28. IC 7.1-3-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. The commission may issue a farm winery permit to a person who is the proprietor of a farm winery and who desires to commercially manufacture wine. A farm winery permit shall be valid from July 1, of the then current year to June 30, of the following year. ~~IC 7.1-3-21-5 does not apply to a farm winery permit issued under this chapter.~~ The commission may not issue a farm winery permit to a person who has not been a continuous and bona fide resident of Indiana for at least one (1) year preceding the date of the application for a farm winery permit.

SECTION 29. IC 7.1-3-15-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2006]: Sec. 4. (a) A holder of a wine dealer's permit must have at least one (1) employee who:

- (1) works on the licensed premises; and
- (2) holds an employee's permit under IC 7.1-3-18.

(b) Beginning January 1, 2007, a holder of a wine dealer's permit must ensure that a sales clerk working on the licensed premises receives training approved by the commission and provided by an employee described in subsection (a).

(c) The commission may adopt rules under IC 4-22-2 to implement this section.

SECTION 30. IC 7.1-3-16-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. ~~Persons Eligible for Permits.~~ The commission may issue a temporary wine permit to a person who is qualified to hold a beer retailer's permit and who has such other qualifications as the commission may prescribe by a provisional order until it adopts a rule or regulation on the matter. However, the special disqualifications listed in ~~IC 1971, IC 7.1-3-4-2(c), (h), and (m) and the residency requirements provided in IC 1971, 7.1-3-21-3;~~ shall not apply to an applicant for a temporary wine permit.

SECTION 31. IC 7.1-3-18-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) The commission may issue an employee's permit to a person who desires to act as:

- (1) a sales clerk in a:
 - (A) drugstore;
 - (B) grocery store; or
 - (C) package liquor store; or as
- (2) a bartender, waiter, waitress, or manager in a retail establishment. ~~excepting dining car and boat employees.~~

(b) A permit authorized by this section is conditioned upon the compliance by the holder with reasonable rules relating to the permit which the commission may prescribe from time to time.

(c) A permit issued under this section entitles its holder to work for any lawful employer. However, a person may work without an employee's permit for thirty (30) days from the date shown on a receipt for a cashier's check or money order payable to the commission for that person's employee's permit application.

(d) A person who, for a package liquor store or retail establishment, is:

- (1) the sole proprietor;
- (2) a partner, a general partner, or a limited partner in a partnership or limited partnership that owns the business establishment;
- (3) a member of a limited liability company that owns the business establishment; or
- (4) a stockholder in a corporation that owns the business establishment;

is not required to obtain an employee's permit in order to perform any of the acts listed in subsection (a).

(e) An applicant may declare on the application form that the applicant will use the employee's permit only to perform volunteer service that benefits a nonprofit organization. It is unlawful for an applicant who makes a declaration under this subsection to use an employee's permit for any purpose other than to perform volunteer service that benefits a nonprofit organization.

(f) ~~An applicant is not entitled to~~ The commission may not issue an employee's permit if: ~~(1) the~~ to an applicant while the applicant is serving a sentence for a conviction for operating while intoxicated, including any term of probation or parole.

~~(2) the~~

(g) The commission may not issue an employee's permit to an applicant who has more than one ~~(1)~~ but less than three ~~(3)~~ two (2) unrelated convictions for operating while intoxicated and less than two (2) years have elapsed after the applicant completed the applicant's sentence for a conviction for operating while intoxicated, including any term of probation or parole; or if:

- (1) the first conviction occurred less than ten (10) years before the date of the applicant's application for the permit; and
- (2) the applicant completed the sentence for the second conviction, including any term of probation or parole, less than two (2) years before the date of the applicant's

application for the permit.

~~(3) the~~

(h) If an applicant for an employee's permit has at least three (3) unrelated convictions for operating while intoxicated and the applicant completed the sentence for the most recent conviction at least ten (10) years before the date of the applicant's application for the permit, the commission may grant or deny the issuance of the permit.

~~(g)~~ (i) The commission shall revoke a permit issued to an employee under this section if:

- (1) the employee is convicted of a Class B misdemeanor for violating IC 7.1-5-10-15(a); or
- (2) the employee becomes ineligible for the issuance of an employee's permit under subsection ~~(f)~~: is convicted of operating while intoxicated after the issuance of the permit.

The commission may revoke a permit issued to an employee under this section for any violation of this title or the rules adopted by the commission.

(j) This section does not apply to a dining car, boat, or airline employee.

SECTION 32. IC 7.1-3-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. ~~Clubs: General Requirements.~~ (a) In order to be considered a "club" within the meaning of this title and to be eligible to receive an appropriate club permit under this title, an association or corporation shall meet the following requirements:

- ~~(a)~~ (1) It shall have been organized in good faith under authority of law.
- ~~(b)~~ (2) It shall have been in active, continuous existence for at least three (3) years prior to the date the application for the permit is filed.
- ~~(c)~~ (3) It shall have maintained, in good faith, a membership roll for the three (3) year period.
- ~~(d)~~ (4) It shall have a paid-up membership of more than fifty (50) members at the time the application is filed.
- ~~(e)~~ (5) It shall be the owner, lessee, or occupant of an establishment operated solely for objects of a national, social, patriotic, political, or athletic nature, or the like.
- ~~(f)~~ (6) It shall not be operated for pecuniary gain.
- ~~(g)~~ (7) The property and the advantages of the organization shall belong to its members. ~~and~~
- ~~(h)~~ (8) It shall maintain an establishment provided with special space and accommodations accommodations where, in consideration of payment, food, with or without lodging, is habitually served.

(b) An association or a corporation located within a consolidated city is considered a club if the association or corporation:

- (1) has held an annual bingo license issued by the state for at least ten (10) consecutive years;
- (2) has been in existence in Indiana for at least twenty-five (25) years;
- (3) does not allow a person less than eighteen (18) years of age to be a member, a guest, a worker, or an operator; and
- (4) complies with subsection (a)(1), (a)(2), (a)(5), (a)(6), and (a)(8).

SECTION 33. IC 7.1-3-21-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 14. ~~Indiana State Fair.~~ (a) The commission shall not issue a permit for the sale of alcoholic beverages on the Indiana state fair grounds during the period of the Indiana State Fair: to the Indiana state fair commission.

(b) The holder of a permit under this section is:

- (1) entitled to sell alcoholic beverages on the state fair grounds to consumers by the glass;
- (2) entitled to permit multiple vendors of the state fair commission with separate permits at different locations on the state fair grounds to sell alcoholic beverages by the glass under the permit;
- (3) entitled to receive the permit directly from the commission without local board approval;
- (4) not subject to quota restrictions under IC 7.1-3-22-3; and

(5) entitled to allow a minor to be present in the places where alcoholic beverages are sold.

(c) The holder of a permit under this section must comply with the following requirements:

- (1) File a floor plan of the premises where alcoholic beverages will be served and consumed.
- (2) Provide that service of alcoholic beverages may be performed only by servers certified under IC 7.1-3-1.5.
- (3) Allow sales during the times prescribed under IC 7.1-3-1-14.
- (4) Prohibit sales prohibited under IC 7.1-5-10-1 and IC 7.1-5-10-17.
- (5) Operate under rules adopted by the commission to protect the public interest under IC 7.1-1-1.

SECTION 34. IC 7.1-5-7-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. The commission shall conduct random unannounced inspections at locations where alcoholic beverages are sold or distributed to ensure compliance with this title. Only the commission, an Indiana law enforcement agency, the office of the sheriff of a county, or an organized police department of a municipal corporation may conduct the random unannounced inspections. These entities may use retired or off-duty law enforcement officers to conduct inspections under this section.

SECTION 35. IC 7.1-5-7-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) Notwithstanding any other law, an enforcement officer vested with full police powers and duties may engage a person who is:

- (1) at least eighteen (18) years of age; and
- (2) less than twenty-one (21) years of age;

to receive or purchase alcoholic beverages as part of an enforcement action under this article.

(b) The initial or contemporaneous receipt or purchase of an alcoholic beverage under this section by a person described in subsection (a) must:

- (1) occur under the direction of an enforcement officer vested with full police powers and duties; and
- (2) be a part of the enforcement action.

SECTION 36. IC 7.1-5-10-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. ~~Credit Sales Prohibited:~~ (a) This section does not apply to a permittee that sells or offers to sell an alcoholic beverage to an individual who does not hold a permit under this title.

(b) It is unlawful for a permittee to sell, offer to sell, purchase, or receive an alcoholic beverage for anything other than cash. A permittee who extends credit in violation of this section shall have no right of action on the claim.

(c) This section ~~shall~~ does not prohibit:

- (1) a permittee from crediting to a purchaser the actual price charged for a package or an original container returned by the original purchaser as a credit on a sale;
- (2) ~~This section shall not prohibit~~ a permittee from refunding to a purchaser the amount paid by the purchaser for a container, or as a deposit on a container, if it is returned to the permittee;
- (3) ~~This section shall not prohibit~~ a manufacturer from extending usual and customary credit for alcoholic beverages sold to a customer who maintains a place of business outside this state when the alcoholic beverages are actually shipped to a point outside this state; or
- (4) ~~This section shall not prohibit~~ a distiller or a liquor or wine wholesaler from extending credit on liquor, flavored malt beverages, and wine sold to a permittee for a period of fifteen (15) days from the date of invoice, date of invoice included. However, if the fifteen (15) day period passes without payment in full, the wholesaler shall sell to that permittee on a cash on delivery basis only.

SECTION 37. IC 7.1-5-10-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 23. (a) It is unlawful for a person who is the proprietor of a package liquor store, drug store, or grocery store to allow a purchaser of alcoholic

beverages, or any other person who is not a sales clerk, to ring up or otherwise record an alcoholic beverage sale.

(b) It is unlawful for a purchaser of alcoholic beverages, or any other person who is not a sales clerk, to ring up or otherwise record an alcoholic beverage sale in a:

- (1) drug store;
- (2) grocery store; or
- (3) package liquor store.

SECTION 38. IC 24-3-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) It is a Class A infraction for a retailer or distributor ~~with intent to injure competitors or destroy or substantially lessen competition~~, to offer to sell or sell at retail or wholesale cigarettes at less than the cost to him: ~~the retailer or distributor~~. The department may do either of the following if a retailer or a distributor violates this subsection:

(1) Revoke or suspend the:

- (A) registration certificate held by ~~such a~~ the distributor under IC 6-7-1; may be revoked, by the department or
- (B) tobacco certificate held by the retailer;

for the balance of the term thereof: for a period of time as determined by the department.

(2) Impose a civil penalty under IC 7.1-3-18.5.

(b) Evidence of offering to sell or sale of cigarettes by any retailer or distributor at less than the cost to him is prima facie evidence of intent to injure competitors and to destroy or substantially lessen competition.

(c) Notwithstanding IC 34-28-5-5(c), a judgment for a violation of this section shall be deposited in the enforcement and administration fund established under IC 7.1-4-10-1.

SECTION 39. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2006]: IC 7.1-3-1.5-7; IC 7.1-3-21-3; IC 7.1-3-21-4; IC 7.1-3-21-5; IC 7.1-3-21-5.2; IC 7.1-3-21-5.4; IC 7.1-3-21-6; IC 7.1-3-21-7; IC 24-3-2-7; IC 24-3-2-11."

Page 6, delete lines 12 through 13.

Page 6, line 35, after "IC 7.1-3-1.5" delete ",."

Page 7, line 37, delete "individual" and insert "individuals".

Page 7, after line 40, begin a new paragraph and insert:

"SECTION 42. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to SB 27 as printed January 25, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 1.

STUTZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 56, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 20, nays 0.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred Engrossed Senate Bill 81, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 8, nays 0.

STUTZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Natural Resources, to which was referred Engrossed Senate Bill 94, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 12, nays 0.

HOFFMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred Engrossed Senate Bill 127, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 1.

THOMAS, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred Engrossed Senate Bill 229, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 2.

RIPLEY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 300, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 5, delete "JULY 1, 2006:]" and insert "UPON PASSAGE]:".

Page 3, line 42, after "been" insert "**substantially**".

Page 4, line 6, after "(a)" insert "**This section applies to claims filed with the division after December 31, 2005.**"

(b)".

Page 4, line 16, strike "(b)" and insert "(c)".

Page 4, line 18, strike "(c)" and insert "(d)".

Page 4, line 18, delete "(a) and".

Page 4, line 18, after "(b)" delete "," and insert "**and (c),**".

Page 5, line 13, delete "(d)" and insert "(e)".

Page 5, line 17, delete "(e)" and insert "(f)".

Page 7, line 25, delete "forensic and evidence".

Page 7, line 26, delete "gathering".

Page 7, line 26, strike "services" and insert "**a forensic medical exam**".

Page 7, line 27, reset in roman "the".

Page 7, line 27, delete "forensic and evidence gathering".

Page 7, line 27, strike "services" and insert "**forensic medical exam described in IC 16-21-8-6**".

Page 7, line 34, after "(b)" insert "**When a hospital acting under IC 16-21-8 provides additional forensic services to an alleged sex crime victim who cooperates with law enforcement under IC 16-21-8-5(b) or IC 16-21-8-5(c), the hospital shall furnish the additional forensic services without charge. The victim services division of the Indiana criminal justice institute shall reimburse a hospital for its costs in providing these services and may adopt rules and procedures to provide for reasonable reimbursement. A hospital may not charge the victim for services required under this chapter even if there is a delay in receiving reimbursement from the victim services division of the Indiana criminal justice institute.**"

(c) **When a hospital acting under IC 16-21-8 provides additional forensic services to an alleged sex crime victim who does not cooperate with law enforcement under IC 16-21-8-5(b) or IC 16-21-8-5(c), the hospital may seek reimbursement directly from the victim or any third party payer for any additional forensic services rendered by the hospital.**

(d)".

Page 8, line 5, strike "(c)" and insert "(e)".

Page 8, line 6, delete "forensic and".

Page 8, line 7, delete "evidence gathering".

Page 8, line 7, strike "services" and insert "**a forensic medical**

exam".

Page 8, line 9, after "the" strike "services" and insert "**exam**".

Page 8, line 11, strike "the services listed in subsection".

Page 8, line 12, strike "(d)" and insert "**forensic medical exams.**

A medical service provider may not charge the victim for a forensic medical exam required under this chapter even if there is a delay in receiving reimbursement from the victim services division of the Indiana criminal justice institute.

(f) **When a licensed medical service provider not covered by subsection (a) or (b) elects to provide additional forensic services to an alleged sex crime victim who cooperates with law enforcement under IC 16-21-8-5(b) or IC 16-21-8-5(c), the medical service provider shall furnish the services without charge. The victim services division of the Indiana criminal justice institute shall reimburse a medical service provider for costs in providing the additional forensic services. A medical service provider may not charge the victim for services required under this chapter even if there is a delay in receiving reimbursement from the victim services division of the Indiana criminal justice institute.**

(g) **When a medical service provider acting under IC 16-21-8 provides additional forensic services to an alleged sex crime victim who does not cooperate with law enforcement under IC 16-21-8-5(b) or IC 16-21-8-5(c), the medical service provider may seek reimbursement directly from the victim or any third party payer for additional forensic services rendered by the medical service provider.**

(h) **The victim services division of the Indiana criminal justice institute may reimburse a medical service provider for costs in providing additional forensic services".**

Page 8, strike lines line 33 through 34.

Page 8, line 35, strike "medical service provider for".

Page 8, line 35, delete "the".

Page 8, line 35, after "for" strike "costs".

Page 8, line 36, delete "of providing forensic and evidence gathering services".

Page 9, strike lines 2 through 4.

Page 9, line 5, strike "(e)" and insert "(i)".

Page 9, between lines 11 and 12, begin a new paragraph and insert: "SECTION 19. IC 5-2-6.1-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 41. The fund consists of amounts deposited under IC 33-37-7-9, IC 34-51-3-6, and IC 35-50-5-3 and appropriations from the general assembly.

SECTION 20. IC 16-18-2-1.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.8. "Additional forensic services", for purposes of IC 16-21-8, means the following:

(1) **Initial pregnancy and sexually transmitted disease testing related to an alleged sex crime.**

(2) **Prophylactic medication related to pregnancy, pregnancy testing, or sexually transmitted disease testing. However, this subdivision does not include HIV prophylactic medication that may be paid at the discretion of the victim services division of the Indiana criminal justice institute.**

(3) **Alcohol and drug testing.**

(4) **Syphilis testing up to ninety (90) days after an alleged sex crime.**

(5) **Pregnancy testing up to thirty (30) days after an alleged sex crime.**

(6) **Mental health counseling concerning problems directly related to an alleged sex crime."**

Page 9, line 14, delete "and evidence" and insert "**medical exam**",

Page 9, line 15, delete "gathering services",

Page 9, delete lines 20 through 28.

Page 9, line 29, delete "(7)" and insert "(2)".

Page 9, delete lines 31 through 32.

Page 9, line 37, delete "and evidence gathering" and insert "**medical exams and additional forensic**".

Page 9, line 41, delete "and" and insert "**medical exams and additional forensic**".

Page 9, line 42, delete "evidence gathering".

Page 10, line 3, delete "and evidence gathering" and insert **"medical exams and additional forensic"**.

Page 10, line 18, delete "and evidence gathering" and insert **"medical exams and additional forensic"**.

Page 10, line 20, delete "and evidence gathering" and insert **"medical exams and additional forensic"**.

Page 10, line 22, delete "and evidence gathering" and insert **"medical exams and additional forensic"**.

Page 10, line 26, delete "and evidence gathering" and insert **"medical exams and additional forensic"**.

Page 10, line 27, delete "and evidence gathering" and insert **"medical exams and additional forensic"**.

Page 10, line 42, delete "and evidence gathering" and insert **"medical exams and additional forensic"**.

Page 11, line 4, after "(a)" insert **"The division shall award compensation or reimbursement under this chapter for forensic medical exams."**

(b)".

Page 11, line 4, strike "may not" and insert **"shall"**.

Page 11, line 5, strike "unless" insert **"for additional forensic services if"**.

Page 11, line 19, strike "(b)" and insert **"(c)"**.

Page 11, line 22, strike "(c)" and insert **"(d)"**.

Page 11, line 23, delete "and evidence gathering" and insert **"medical exams and additional forensic"**.

Page 11, line 29, delete "and evidence gathering" and insert **"medical exams and additional forensic"**.

Page 11, line 31, after "(b)" insert **"When a provider provides additional forensic services under section 5(b) and 5(c) of this chapter, the provider shall furnish the services without charge."**

Page 11, line 34, strike "(c)" and insert **"(d)"**.

Page 11, line 36, strike "(d)" and insert **"(e)"**.

Page 11, line 39, strike "(e)" and insert **"(f)"**.

Page 12, after line 16, begin a new paragraph and insert:

"SECTION 31. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to SB 300 as reprinted February 1, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment and Labor, to which was referred Engrossed Senate Bill 321, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-28-27-3, AS ADDED BY P.L.202-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) The skills 2016 training fund is established to do the following:

(1) Administer the costs of the skills 2016 training program established under IC 22-4-10.5.

(2) Undertake any program or activity that furthers the purposes of IC 22-4-10.5.

(3) Refund skills 2016 training assessments erroneously collected and deposited in the fund.

(b) The money in the fund shall be allocated as follows:

(1) An amount to be determined annually shall be set aside for the payment of refunds from the fund.

(2) The remainder of the money in the fund shall be allocated to employers or consortiums for incumbent worker training grants that enable workers to obtain recognizable credentials or certifications and transferable employment skills that improve employer competitiveness.

(c) Special consideration shall be given to the state educational institution established under IC 20-12-61 to be the provider of the training funded under this chapter whenever the state educational institution:

(1) meets the identified training needs of an employer or a consortium with an existing credentialing or certification program; and

(2) is the most cost effective provider.

(d) For the incumbent worker training grants described in subsection (b), the department of workforce development shall do the following:

(1) Provide grant applications to interested employers and consortiums.

(2) Accept completed applications for the grants.

(3) Obtain all information necessary or appropriate to determine whether an applicant qualifies for a grant, including information concerning:

(A) the applicant;

(B) the training to be offered;

(C) the training provider; and

(D) the workers to be trained.

(4) Prepare summaries or other reports to assist the secretary of commerce in reviewing the grant applications.

(e) The department of workforce development shall forward the grant applications and other information collected or received by the department under subsection (d) to the secretary of commerce who shall allocate the money in the fund in accordance with subsections (b) and (c), after considering the information provided by the department of workforce development.

(f) The corporation shall enter into an agreement with the department of workforce development for the department of workforce development to administer the fund using money appropriated from the fund.

(g) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(h) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(i) The fund consists of the following:

(1) Assessments deposited in the fund.

(2) Earnings acquired through the use of money belonging to the fund.

(3) Money deposited in the fund from any other source.

(4) Interest and penalties collected.

(j) Any balance in the fund does not lapse but is available continuously to the corporation for expenditures for the program established under IC 22-4-10.5 consistent with this chapter, after considering any information concerning an expenditure provided by the department of workforce development.

(k) An employer who makes the election described in IC 22-4-10.5-3.2 is not eligible to receive an allocation from the fund."

Page 3, line 26, strike "his".

Page 3, line 26, after "his" insert **"the employing unit's"**.

Page 5, between lines 11 and 12, begin a new paragraph and insert: **"SECTION 8. IC 22-4-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. "Employment" shall not include the following:**

(1) Except as provided in section 2(i) of this chapter, service performed prior to January 1, 1978, in the employ of this state, any other state, any town or city, or political subdivision, or any instrumentality of any of them, other than service performed in the employ of a municipally owned public utility as defined in this article; or service performed in the employ of the United States of America, or an instrumentality of the United States immune under the Constitution of the United States from the contributions imposed by this article, except that to the extent that the Congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment fund under a state unemployment compensation statute, all of the provisions of this article shall be applicable to such instrumentalities, in the same manner, to the same extent, and on the same terms as to all other employers, employing units, individuals, and services. However, if this state shall not be certified for any year by the Secretary of Labor under Section 3304 of the Internal Revenue Code the payments required of such instrumentalities with

respect to such year shall be refunded by the commissioner from the fund in the same manner and within the same period as is provided in IC 22-4-32-19 with respect to contribution erroneously paid or wrongfully assessed.

~~(b)~~ (2) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an Act of Congress; however, the ~~board~~ **department** is authorized to enter into agreements with the proper agencies under such Act of Congress which agreements shall become effective ten (10) days after publication thereof, ~~in the manner provided in IC 22-4-19-2 for rules of the board,~~ **in accordance with rules adopted by the department under IC 4-22-2**, to provide reciprocal treatment to individuals who have, after acquiring potential rights to benefits under this article, acquired rights to unemployment compensation under such Act of Congress, or who have, after having acquired potential rights to unemployment compensation under such Act of Congress, acquired rights to benefits under this article.

~~(c)~~ (3) "Agricultural labor" as provided in section 2(l)(1) of this chapter shall include only services performed:

~~(i)~~ (A) on a farm, in the employ of any person, in connection with cultivating the soil or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and furbearing animals and wildlife;

~~(ii)~~ (B) in the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm;

~~(iii)~~ (C) in connection with the production or harvesting of any commodity defined as an agricultural commodity in Section 15(g) of the Agricultural Marketing Act (**12 U.S.C. 1141j(g)**) as amended, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

~~(iv)~~ ~~(A)~~ (D) in the employ of:

(i) the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such operator produced more than one-half ($\frac{1}{2}$) of the commodity with respect to which such service is performed; **or**

~~(B)~~ **in the employ of (ii)** a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described in ~~subdivision (A)~~; **item (i)**, but only if such operators produce more than one-half ($\frac{1}{2}$) of the commodity with respect to which such service is performed;

~~(E)~~ **except** the provisions of ~~subdivisions (A) and (B)~~ **items (i) and (ii)** shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; **or**

~~(F)~~ (E) on a farm operated for profit if such service is not in the course of the employer's trade or business or is domestic service in a private home of the employer.

(4) As used in ~~this subsection~~, **subdivision (3)**, "farm" includes stock, dairy, poultry, fruit, furbearing animals, and truck farms, nurseries, orchards, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities.

~~(d)~~ (5) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, except as provided in section 2(m) of this chapter.

~~(e)~~ (6) Service performed on or in connection with a vessel or aircraft not an American vessel or American aircraft, if the

employee is employed on and in connection with such vessel or aircraft when outside the United States.

~~(f)~~ (7) Service performed by an individual in the employ of child or spouse, and service performed by a child under the age of twenty-one (21) in the employ of a parent.

~~(g)~~ (8) Service not in the course of the employing unit's trade or business performed in any calendar quarter by an individual, unless the cash remuneration paid for such service is fifty dollars (\$50) or more and such service is performed by an individual who is regularly employed by such employing unit to perform such service. For the purposes of this ~~subsection~~, **subdivision**, an individual shall be deemed to be regularly employed to perform service not in the course of an employing unit's trade or business during a calendar quarter only if:

~~(i)~~ (A) on each of some of twenty-four (24) days during such quarter such individual performs such service for some portion of the day; **or**

~~(ii)~~ (B) such individual was regularly employed (as determined under clause ~~(i)~~ (A)) by such employing unit in the performance of such service during the preceding calendar quarter.

~~(h)~~ (9) Service performed by an individual in any calendar quarter in the employ of any organization exempt from income tax under Section 501 of the Internal Revenue Code (except those services included in sections 2(i) and 2(j) of this chapter if the remuneration for such service is less than fifty dollars (\$50)).

~~(i)~~ (10) Service performed in the employ of a hospital, if such service is performed by a patient of such hospital.

~~(j)~~ (11) Service performed in the employ of a school, college, or university if such service is performed:

~~(i)~~ (A) by a student who is enrolled and is regularly attending classes at such school, college, or university; **or**

~~(ii)~~ (B) by the spouse of such a student, if such spouse is advised, at the time such spouse commences to perform such service, that:

~~(A)~~ (i) the employment of such spouse to perform such service is provided under a program to provide financial assistance to such student by such school, college, or university; **and**

~~(B)~~ (ii) such employment will not be covered by any program of unemployment insurance.

~~(k)~~ (12) Service performed by an individual who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this subsection shall not apply to service performed in a program established for or on behalf of an employer or group of employers.

~~(l)~~ (13) Service performed in the employ of a government foreign to the United States of America, including service as a consular or other officer or employee or a nondiplomatic representative.

~~(m)~~ (14) Service performed in the employ of an instrumentality wholly owned by a government foreign to that of the United States of America, if the service is of a character similar to that performed in foreign countries by employees of the United States of America or of an instrumentality thereof, and if the board finds that the Secretary of State of the United States has certified to the Secretary of the Treasury of the United States that the government, foreign to the United States, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in such country by employees of the United States and of instrumentalities thereof.

~~(n)~~ (15) Service performed as a student nurse in the employ of a hospital or nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to state law; and service

performed as an intern in the employ of a hospital by an individual who has completed a four (4) year course in a medical school chartered or approved pursuant to state law.

~~(16)~~ (16) Service performed by an individual as an insurance producer or as an insurance solicitor, if all such service performed by such individual is performed for remuneration solely by way of commission.

~~(17)~~ (17) Service performed by an individual:

(A) under the age of eighteen (18) in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution; or

(B) Services performed by an individual in, and at the time of, the sale of newspapers or magazines to ultimate consumers, under an arrangement under which the newspapers or magazines are to be sold by ~~him~~ **the individual** at a fixed price, ~~his~~ **the individual's** compensation being based on the retention of the excess of such price over the amount at which the newspapers or magazines are charged to ~~him~~; **the individual**, whether or not ~~he~~ **the individual** is guaranteed a minimum amount of compensation for such service, or is entitled to be credited with the unsold newspapers or magazines turned back.

~~(18)~~ (18) Service performed in the employ of an international organization.

~~(19)~~ (19) Except as provided in IC 22-4-7-1, services covered by an election duly approved by the agency charged with the administration of any other state or federal unemployment compensation law in accordance with an arrangement pursuant to IC 22-4-22-1 through IC 22-4-22-5, during the effective period of such election.

~~(20)~~ (20) If the service performed during one-half (½) or more of any pay period by an individual for an employing unit constitutes employment, all the services of such individual for such period shall be deemed to be employment; but if the services performed during more than one-half (½) of any pay period by such an individual do not constitute employment, then none of the services of such individual for such period shall be deemed to be employment. As used in this subsection, "pay period" means a period of not more than thirty-one (31) consecutive days for which a payment of remuneration is ordinarily made to the individual by the employing unit. This subsection shall not be applicable with respect to services performed in a pay period by any such individual where any such service is excepted by ~~subsection (b)~~ **subdivision (2)**.

~~(21)~~ (21) Service performed by an inmate of a custodial or penal institution.

~~(22)~~ (22) Service performed as a precinct election officer (as defined in IC 3-5-2-40.1)."

Page 8, line 17, delete "the following percentage of" and insert "**the following percentage of**".

Page 10, between lines 6 and 7, begin a new paragraph and insert: "SECTION 15. IC 22-4-10.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. The skills 2016 training assessment is nine hundredths percent (0.09%) to be assessed upon the previous year's taxable wages (as defined in IC 22-4-4-2) paid by all employers except those who have:

(1) **made the election described in section 3.2 of this chapter;** or

(2) elected to make payments in lieu of contributions (as defined in IC 22-4-2-32).

SECTION 16. IC 22-4-10.5-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3.2. (a) **This section applies to skills 2016 training assessments payable after July 1, 2007.**

(b) **As used in this section, "employee" means any person employed by another for wages or salary. The term does not include a seasonal worker (as defined in IC 22-4-8-4(b)).**

(c) **An employer subject to this chapter that employs less than twenty (20) full-time employees may file an election each year not to:**

(1) **participate in the skills 2016 training program; and**

(2) **pay the skills 2016 training assessments;**

with the department on a form prescribed by the commissioner.

(d) **An employer must make the election described in subsection (c) for a calendar year not later than January 31 of the following year.**

(e) **For purposes of determining whether an employer qualifies to make the election under subsection (c), the number of employees employed by the employer is the average of the number of employees reported by the employer for each quarter of the calendar year for which the employer wants to elect not to:**

(1) **participate in the skills 2016 training program; and**

(2) **pay the skills 2016 training assessments.**

SECTION 17. IC 22-4-10.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. (a) **This section does not apply to an employer who has made the election described in section 3.2 of this chapter.**

~~(b)~~ (b) Skills 2016 training assessments accrue and are payable by each employer under section 3 of this chapter for each calendar year in which the employer is subject to IC 22-4-10-1 with respect to wages for employment.

~~(c)~~ (c) Skills 2016 training assessments are due and payable to the department by each employer for the purposes set forth in section 2 of this chapter and are not deductible, in whole or in part, from the wages of individuals in the service of the employer.

~~(d)~~ (d) Skills 2016 training assessments paid under this chapter:

(1) shall not be credited to the employer's experience account; and

(2) do not affect the computation of an employer's contribution rate under IC 22-4-11-2."

Page 13, line 25, delete "chapter" and insert "**chapter**".

Page 15, line 7, delete "special".

Page 19, line 20, delete "decision to seek repayment of benefits or".

Page 19, line 21, delete "a civil penalty" and insert "**determination**".

Page 19, line 22, delete "IC 22-4-32-4" and insert "**IC 22-4-17-2(e)**".

Page 19, line 23, delete "IC 22-4-32-1" and insert "**IC 22-4-17-3**".

Page 19, line 23, delete "IC 22-4-32-15." and insert "**IC 22-4-17-15**".

Page 20, between lines 7 and 8, begin a new paragraph and insert:

"(d) An individual who is receiving benefits as determined under IC 22-4-15-1(c)(8) is entitled to complete the reporting, counseling, or training that must be conducted in person at a one stop center selected by the individual. The department shall advise an eligible individual that this option is available."

Page 20, line 13, delete "abuse." and insert "**or family violence (as defined in IC 31-9-2-42)**".

Page 29, line 15, strike "he".

Page 29, line 15, after "he" insert "**the member**".

Page 32, between lines 13 and 14, begin a new paragraph and insert:

"(i) An employer or agent of an employer that becomes aware that a claim has been made under IC 22-4-15-1(c)(8) shall maintain that information as confidential."

Page 33, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 46. IC 22-4-22-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. The commissioner is authorized to enter into reciprocal agreements with the proper agencies under the laws of other states or jurisdictions or of the United States, which agreements shall become effective after filing with the secretary of state pursuant to IC 22-4-19-2, in accordance with rules adopted by the department under IC 4-22-2, by the terms of which agreements:

(1) potential rights to benefits accumulated under the unemployment compensation laws of one (1) or more states or jurisdictions or of the United States, or both, may constitute the basis for the payment of benefits through a single appropriate agency under terms which the commissioner finds will be fair and reasonable to all affected interests and which will not result in any substantial loss to the fund; and

(2) wages or services in employment subject to an

unemployment compensation law of another state or of the United States shall be deemed to be wages in employment for employers for the purpose of determining an individual's rights to unemployment compensation benefits under this article, and wages in employment for employers as defined in this article shall be deemed to be wages or services on the basis of which unemployment compensation under the law of another state or of the United States is payable, but no such arrangement shall be entered into unless it contains provisions for reimbursements to the unemployment insurance benefit fund for such of the unemployment compensation benefits paid under this part upon the basis of such wages or services, and provisions for reimbursements from the unemployment insurance benefit fund for such of the compensation paid under such other law upon the basis of wages for employment as defined in this article as the commissioner finds will be fair and reasonable to all affected interests."

Page 39, line 23, after "for adjustment" delete "of" and insert "or".

Page 43, delete lines 8 through 9, begin a new paragraph and insert:

"SECTION 69. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2006]: IC 22-4-16-1; IC 22-4-19-2; IC 22-4-19-3."

Renumber all SECTIONS consecutively.

(Reference is to SB 321 as reprinted January 25, 2006.) and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 4.

TORR, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment and Labor, to which was referred Engrossed Senate Bill 333, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-1-8-1, AS AMENDED BY P.L.246-2005, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) No individual may be compelled by any state agency, board, commission, department, bureau, or other entity of state government (referred to as "state agency" in this chapter) to provide the individual's Social Security number to the state agency against the individual's will, absent federal requirements to the contrary. However, the provisions of this chapter do not apply to the following:

- (1) Department of state revenue.
- (2) Department of workforce development.
- (3) The programs administered by:
 - (A) the division of family and children;
 - (B) the division of mental health and addiction;
 - (C) the division of disability, aging, and rehabilitative services; and
 - (D) the office of Medicaid policy and planning;
- of the office of the secretary of family and social services.
- (4) Auditor of state.
- (5) State personnel department.
- (6) Secretary of state, with respect to the registration of broker-dealers, agents, and investment advisors.
- (7) The legislative ethics commission, with respect to the registration of lobbyists.
- (8) Indiana department of administration, with respect to bidders on contracts.
- (9) Indiana department of transportation, with respect to bidders on contracts.

~~(10) Health professions bureau.~~

~~(11)~~ (10) Indiana professional licensing agency.

~~(12)~~ (11) Department of insurance, with respect to licensing of insurance producers.

~~(13)~~ (12) A pension fund administered by the board of trustees of the public employees' retirement fund.

~~(14)~~ (13) The Indiana state teachers' retirement fund.

~~(15)~~ (14) The state police benefit system.

~~(16)~~ (15) The alcohol and tobacco commission.

(16) The state department of health, for purposes of licensing radiologic technologists under IC 16-41-35-29(c).

(b) The bureau of motor vehicles may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in an application for an official certificate of title for any vehicle required to be titled under IC 9-17.

(2) That an individual include the individual's Social Security number on an application for registration.

(3) That a corporation, limited liability company, firm, partnership, or other business entity include its federal tax identification number on an application for registration.

(c) The Indiana department of administration, the Indiana department of transportation, ~~the health professions bureau~~, and the Indiana professional licensing agency may require an employer to provide its federal employer identification number.

(d) The department of correction may require a committed offender to provide the offender's Social Security number for purposes of matching data with the Social Security Administration to determine benefit eligibility.

(e) The Indiana gaming commission may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in any application for a riverboat owner's license, supplier's license, or occupational license.

(2) That a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity include its federal tax identification number on an application for a riverboat owner's license or supplier's license.

(f) Notwithstanding this chapter, the department of education established by IC 20-19-3-1 may require an individual who applies to the department for a license or an endorsement to provide the individual's Social Security number. The Social Security number may be used by the department only for conducting a background investigation, if the department is authorized by statute to conduct a background investigation of an individual for issuance of the license or endorsement."

Page 2, reset in roman lines 13 through 17.

Page 3, delete lines 23 through 42.

Delete page 4.

Page 5, delete lines 1 through 17.

Page 6, line 9, delete "be".

Page 6, line 10, delete "approved to".

Page 6, delete lines 16 through 33.

Page 7, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 6. IC 16-41-35-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) The state department shall adopt rules under IC 4-22-2 to regulate who may operate a radiation machine and what level of training and experience the operator must have. Rules adopted by the state department must exempt from testing to establish initial qualifications an individual who:

(1) holds a valid certificate issued by; and

(2) is currently registered with;

the American Registry of Radiologic Technologists.

(b) The state department may by rule exempt an individual who:

(1) is currently licensed in another state as a radiologic technologist; or

(2) performs the function of a radiologic technologist in another state that does not require the licensure of a radiologic technologist;

from testing to establish initial qualifications.

(c) The state department shall issue a license to an individual meeting the requirements of the rules adopted under subsection (a) for a radiologic technologist upon the payment to the state department of a sixty dollar (\$60) fee and the cost of testing to establish initial qualifications. The license is valid for twenty-four (24) months. The state department shall establish a fee for the renewal or duplication of a license issued under this section not to exceed sixty dollars (\$60). In addition to the renewal fee, a penalty fee of sixty dollars (\$60)

shall be imposed by the state department for processing an application for license renewal received after the expiration of the previous license. The state department may waive the penalty fee for a showing of good cause.

(d) An individual who applies for a license issued under subsection (c) or who holds a license issued under subsection (c) shall provide the individual's Social Security number to the state department.

(e) The state department shall collect and release the applicant's or licensee's Social Security number as provided in state or federal law.

(f) Notwithstanding IC 4-1-10-3, the state department may allow access to the Social Security number of each person who is licensed under this section or has applied for a license under this section to:

- (1) a testing service that provides the examination for licensure as a radiologic technologist to the state department; or
- (2) an individual state regulatory board of radiologic technology or an organization composed of state regulatory boards of radiologic technology for the purpose of coordinating licensure and disciplinary activities among the individual states.

(g) Every owner of a radiation machine, including an industrial radiation machine, shall have the machine inspected in accordance with procedures and standards established by the state department. The state department shall adopt rules under IC 4-22-2 establishing the procedures and standards applicable to inspections of radiation machines.

SECTION 7. IC 16-42-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) An organization that is exempt from the state gross retail tax under IC 6-2.5-5-21(b)(1)(B), IC 6-2.5-5-21(b)(1)(C), or IC 6-2.5-5-21(b)(1)(D) and that offers food for sale to the final consumer at an event held for the benefit of the organization is exempt from complying with the requirements of this chapter that may be imposed upon the sale of food at that event if the following conditions are met:

- (1) Members of the organization prepare the food that will be sold;
- (2) Events conducted by the organization under this section take place for not more than thirty (30) days in a calendar year;
- (3) The name of each member who has prepared a food item is attached to the container in which the food item has been placed;

organization does not have any paid staff whose primary responsibility is to prepare and serve food to the public at the event.

(b) This section does not prohibit an exempted organization from waiving the exemption and applying for a license under this chapter."

Page 10, line 21, after "instruction" insert "that is".

Page 10, line 22, after "board" insert "and that is".

Page 11, line 7, delete "a" and insert "the".

Page 12, line 3, after "with" insert "this chapter under".

Page 12, line 3, delete "(b)." and insert "(b)(1).".

Page 12, line 42, delete "applicant" and insert "applicant's".

Page 13, line 6, delete "which" and insert "that".

Page 13, line 19, delete "applicant" and insert "applicant's".

Page 13, line 25, delete "which" and insert "that".

Page 22, line 34, delete "The" and insert "A".

Page 27, line 32, delete "in" and insert "by".

Page 27, line 35, delete "final".

Page 27, after "the" insert "final".

Page 32, line 24, delete "pays".

Page 32, line 24, delete "requirement".

Page 33, line 40, after "notice" insert ",".

Page 34, line 26, delete "two (2) renewal cycles" and insert "four (4) years".

Page 34, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 63. IC 25-22.5-12 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]:

Chapter 12. Residency Pilot Program for Qualified International Medical School Graduates

Sec. 1. As used in this chapter, "graduate" means a qualified international medical school graduate.

Sec. 2. As used in this chapter, "resident" means a graduate who has been accepted in the residency pilot program under this chapter.

Sec. 3. The board shall work with primary care residency programs, limited to family medicine, pediatrics, and internal medicine residency programs, to develop a pilot program for a period of seven (7) academic years to better identify, evaluate, and prepare qualified graduates for future practice in Indiana.

Sec. 4. The board shall allow family medicine, pediatrics, and internal medicine residency programs in Indiana that elect to participate in the residency pilot program to accept graduates from medical schools that:

- (1) are not on the board's list of approved medical schools; and
- (2) are not on the list of schools disapproved for postgraduate medical education training.

Sec. 5. The board shall develop an application process for each approved residency program's participation in the residency pilot.

Sec. 6. The list of disapproved medical schools must be updated by August 1 of each year to the best ability of the board to exclude any medical schools that are not known to be qualified educational institutions.

Sec. 7. The program director of a residency program that wants to participate in the residency program shall submit a letter to the board requesting that the accepted residency candidate receive a temporary permit for residency training. A representative of the residency pilot program must appear with the candidate for a hearing of the board.

Sec. 8. A temporary permit to participate in residency training may be:

- (1) issued to a graduate for one (1) year; and
- (2) renewed for two (2) additional one (1) year periods;

until completion of the residency program. The board may require the graduate to appear before the board.

Sec. 9. A candidate for the residency program must be certified by the Education Commission for Foreign Medical Graduates (ECFMG) to participate in the residency pilot program.

Sec. 10. The director of a participating residency pilot program shall submit a written progress report to the board within three (3) months after the beginning of training of a resident to verify that the resident is providing the quality of medical care to patients expected at the level of medical experience and training of the resident.

Sec. 11. The residency program director shall promptly inform the board in writing if a pilot program resident is:

- (1) dismissed for failure to meet the professional expectations of the residency program; or
- (2) incapable of competent medical practice.

Sec. 12. The residency program director shall submit a report concerning the progress of each resident to the board at the completion of the first and second years of the resident's training recommending renewal of the temporary medical permit for one (1) additional year if the resident's performance is satisfactory.

Sec. 13. Upon the resident's completion of the three (3) year training program, the residency program director may be required to appear before the board to:

- (1) verify the competency of the resident; and
- (2) recommend that the candidate be issued a license to enable the candidate to practice medicine in Indiana.

If the resident was granted a temporary permit under the residency pilot program, a graduate participating in the program may not be issued a permanent license until the graduate completes the three (3) years of pilot program residency training and completes two (2) years of practice in Indiana to complete the pilot program requirements. The type of license the graduating resident obtains for the two (2) years of practice after residency shall be determined by the board. The board may defer the practice requirement if the resident requests a delay to participate in an Accreditation Council on Graduate Medical

Education (ACGME) accredited fellowship program that enhances the practice of primary care. The candidate must appear before the board for permanent license approval. Failure to complete the residency pilot program for reasons including:

- (1) negligence;
- (2) incompetency; or
- (3) issues of professionalism;

is an adverse event reportable to medical licensing boards in other states. Issues not related to performance are not reportable events.

Sec. 14. International medical school graduates who have successfully completed the residency pilot program and have met all requirements of this chapter:

- (1) shall be given equal standing for licensure with other international medical school graduates who have graduated from approved medical schools; and
- (2) must meet all other licensure requirements under IC 25-22.5-3-1.

Sec. 15. The board shall collect information and data during the residency pilot program concerning the:

- (1) successes of;
- (2) failures of;
- (3) difficulties encountered in; and
- (4) number of residents involved in, entering, and graduating from;

the program.

The information must include data based on the six (6) required ACGME competencies used to evaluate all residents.

Sec. 16. There may not be more than two (2) graduates allowed under this pilot program for each approved primary care residency program.

Sec. 17. This chapter expires December 31, 2013."

Page 36, line 31, delete "shall" and insert "**must**".

Page 39, line 5, delete "before the" and insert "**before**".

Page 48, after line 38, begin a new paragraph and insert:

"SECTION 79. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 333 as reprinted January 31, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

TORR, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 338, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 1, delete "." and insert "**or the offense of battery (IC 35-42-2-1).**".

Page 2, line 41, after "testimony" insert "**pursuant to the Indiana Rules of Evidence**".

(Reference is to SB 338 as printed January 27, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment and Labor, to which was referred Engrossed Senate Bill 340, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, between lines 21 and 22, begin a new paragraph and insert: "SECTION 2. IC 5-10-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) The state, excluding state educational institutions (as defined by IC 20-12-0.5-1), may not purchase or maintain a policy of group insurance, except:

- (1) life insurance for the state's employees;
- (2) long term care insurance under a long term care insurance

policy (as defined in IC 27-8-12-5), for the state's employees; or (3) an accident and sickness insurance policy (as defined in IC 27-8-5.6-1) that covers individuals to whom coverage is provided by a local unit under section 6.6 of this chapter; or (4) **an insurance policy that provides coverage that supplements coverage provided under a United States military health care plan.**

(b) With the consent of the governor, the state personnel department may establish self-insurance programs to provide group insurance other than life or long term care insurance for state employees and retired state employees. The state personnel department may contract with a private agency, business firm, limited liability company, or corporation for administrative services. A commission may not be paid for the placement of the contract. The department may require, as part of a contract for administrative services, that the provider of the administrative services offer to an employee terminating state employment the option to purchase, without evidence of insurability, an individual policy of insurance.

(c) Notwithstanding subsection (a), with the consent of the governor, the state personnel department may contract for health services for state employees and individuals to whom coverage is provided by a local unit under section 6.6 of this chapter through one (1) or more prepaid health care delivery plans.

(d) The state personnel department shall adopt rules under IC 4-22-2 to establish long term and short term disability plans for state employees (except employees who hold elected offices (as defined by IC 3-5-2-17)). The plans adopted under this subsection may include any provisions the department considers necessary and proper and must:

- (1) require participation in the plan by employees with six (6) months of continuous, full-time service;
- (2) require an employee to make a contribution to the plan in the form of a payroll deduction;
- (3) require that an employee's benefits under the short term disability plan be subject to a thirty (30) day elimination period and that benefits under the long term plan be subject to a six (6) month elimination period;
- (4) prohibit the termination of an employee who is eligible for benefits under the plan;
- (5) provide, after a seven (7) day elimination period, eighty percent (80%) of base biweekly wages for an employee disabled by injuries resulting from tortious acts, as distinguished from passive negligence, that occur within the employee's scope of state employment;
- (6) provide that an employee's benefits under the plan may be reduced, dollar for dollar, if the employee derives income from:
 - (A) Social Security;
 - (B) the public employees' retirement fund;
 - (C) the Indiana state teachers' retirement fund;
 - (D) pension disability;
 - (E) worker's compensation;
 - (F) benefits provided from another employer's group plan; or
 - (G) remuneration for employment entered into after the disability was incurred.

(The department of state revenue and the department of workforce development shall cooperate with the state personnel department to confirm that an employee has disclosed complete and accurate information necessary to administer subdivision (6).)

(7) provide that an employee will not receive benefits under the plan for a disability resulting from causes specified in the rules; and

(8) provide that, if an employee refuses to:

- (A) accept work assignments appropriate to the employee's medical condition;
 - (B) submit information necessary for claim administration; or
 - (C) submit to examinations by designated physicians;
- the employee forfeits benefits under the plan.

(e) This section does not affect insurance for retirees under IC 5-10.3 or IC 21-6.1.

(f) The state may pay part of the cost of self-insurance or prepaid health care delivery plans for its employees.

(g) A state agency may not provide any insurance benefits to its employees that are not generally available to other state employees, unless specifically authorized by law.

(h) The state may pay a part of the cost of group medical and life coverage for its employees.

SECTION 3. IC 5-10.2-4-1.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.8. (a) An employee of the state who:**

- (1) is a member of the public employees' retirement fund;**
- (2) has not attained vested status; and**
- (3) is terminated from employment with the state after December 30, 2005, as the result of:**

(A) a lease or other transfer of state property to a nongovernmental entity; or

(B) a contractual arrangement with a nongovernmental entity to perform certain state functions;

may make the election described in subsection (b).

(b) A member described in subsection (a) may elect, in the manner prescribed by the board of trustees of the public employees' retirement fund, not later than sixty (60) days after the date the member separates from state service, to receive from the public employees' retirement fund a distribution under subsection (c).

(c) This subsection applies to a member who elects under subsection (b) to receive a distribution. The member is entitled to receive a distribution that is equal to the present value, as determined by the board on the member's separation date, of the pension portion of the monthly retirement benefit computed as if the member had been:

- (1) eligible for normal retirement; and**
- (2) at least sixty-five (65) years of age;**

on the member's separation date, multiplied by a fraction. The numerator of the fraction is the number of months of creditable service earned by the member as an employee of the state before the member's separation date. The denominator of the fraction is one hundred twenty (120).

(d) To the extent permitted by the Internal Revenue Code, the distribution under subsection (c) must be made directly to any of the following designated by the terminating employee:

- (1) An individual retirement account or annuity described in Section 408(a) or Section 408(b) of the Internal Revenue Code.**
- (2) A qualified plan described in Section 401(a) or Section 403(a) of the Internal Revenue Code.**
- (3) An annuity contract or account described in Section 403(b) of the Internal Revenue Code.**
- (4) An eligible plan that is maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state under Section 457(b) of the Internal Revenue Code.**

(e) Creditable service used in computing a distribution under this section may not be used to compute a normal or early retirement benefit under this article.

(f) The board of trustees of the public employees' retirement fund may adopt reasonable procedures and standards to implement this section.

(g) This section applies only if the public employees' retirement fund has received from the Internal Revenue Service any approvals or rulings that the board of trustees of the public employees' retirement fund considers necessary or appropriate."

Page 4, line 32, delete "the member's" and insert "**the member's**".
Renummer all SECTIONS consecutively.

(Reference is to SB 340 as printed January 27, 2006.)
and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

TORR, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 345, has had the same under

consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-4-4.5, AS AMENDED BY P.L.228-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2006 (RETROACTIVE)]: Sec. 4.5. (a) The department of local government finance shall adopt rules establishing a system for annually adjusting the assessed value of real property to account for changes in value in those years since a general reassessment of property last took effect.

(b) Subject to subsection (e), the system must be applied to adjust assessed values beginning with the ~~2006~~ **2007** assessment date and each year thereafter that is not a year in which a reassessment becomes effective.

(c) The rules adopted under subsection (a) must include the following characteristics in the system:

(1) Promote uniform and equal assessment of real property within and across classifications.

(2) Require that assessing officials:

(A) reevaluate the factors that affect value;

(B) express the interactions of those factors mathematically;

(C) use mass appraisal techniques to estimate updated property values within statistical measures of accuracy; and

(D) provide notice to taxpayers of an assessment increase that results from the application of annual adjustments.

(3) Prescribe procedures that permit the application of the adjustment percentages in an efficient manner by assessing officials.

(d) The department of local government finance must review and certify each annual adjustment determined under this section.

(e) In making the annual determination of the base rate to satisfy the requirement for an annual adjustment under subsection (a), the department of local government finance shall determine the base rate using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect on January 1, 2005), except that the department shall adjust the methodology to use a six (6) year rolling average instead of a four (4) year rolling average."

Page 2, line 4, delete "6.20%" and insert "**0.68%**".

Page 2, line 6, delete "10.40%" and insert "**15.92%**".

Page 2, between lines 17 and 18, begin a new paragraph and insert:
"SECTION 3. IC 6-3-1-3.5, AS AMENDED BY P.L.246-2005, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars (\$1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars (\$1,000).

(4) Subtract one thousand dollars (\$1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) one thousand five hundred dollars (\$1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code for taxable years beginning after December 31, 1996; and

(B) five hundred dollars (\$500) for each additional amount

allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars (\$40,000).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract an amount equal to the lesser of:

(A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or

(B) two thousand dollars (\$2,000).

(7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

(8) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Add an amount equal to the deduction allowed under Section 221 of the Internal Revenue Code for married couples filing joint returns if the taxable year began before January 1, 1987.

(11) Add an amount equal to the interest excluded from federal gross income by the individual for the taxable year under Section 128 of the Internal Revenue Code if the taxable year began before January 1, 1985.

(12) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(13) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(14) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(15) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(16) For taxable years beginning after December 31, 1999, subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(17) Subtract an amount equal to the lesser of:

(A) for a taxable year:

(i) including any part of 2004, the amount determined under subsection (f); and

(ii) beginning after December 31, 2004, two thousand five hundred dollars (\$2,500); or

(B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(18) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(19) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(20) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(21) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(22) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.

(3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Add to the extent required by IC 6-3-2-20 the amount of intangible expenses (as defined in IC 6-3-2-20) and any directly related intangible interest expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes.

(c) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as

follows:

- (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.
- (2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.
- (3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.
- (4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.
- (5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.
- (6) Add an amount equal to any deduction allowed under Section 172 or Section 810 of the Internal Revenue Code.
- (7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).
- (8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.
- (d) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:
 - (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.
 - (2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.
 - (3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.
 - (4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.
 - (5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.
 - (6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.
 - (7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).
 - (8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable

year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(e) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

- (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.
- (2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.
- (3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.
- (4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.
- (5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).
- (6) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.
- (f) This subsection applies only to the extent that an individual paid property taxes in 2004 that were imposed for the March 1, 2002, assessment date or the January 15, 2003, assessment date. The maximum amount of the deduction under subsection (a)(17) is equal to the amount determined under STEP FIVE of the following formula:

STEP ONE: Determine the amount of property taxes that the taxpayer paid after December 31, 2003, in the taxable year for property taxes imposed for the March 1, 2002, assessment date and the January 15, 2003, assessment date.

STEP TWO: Determine the amount of property taxes that the taxpayer paid in the taxable year for the March 1, 2003, assessment date and the January 15, 2004, assessment date.

STEP THREE: Determine the result of the STEP ONE amount divided by the STEP TWO amount.

STEP FOUR: Multiply the STEP THREE amount by two thousand five hundred dollars (\$2,500).

STEP FIVE: Determine the sum of the STEP FOUR amount and two thousand five hundred dollars (\$2,500).

SECTION 4. IC 6-3-2-20 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: **Sec. 20. (a) The following definitions apply throughout this section:**

(1) "Affiliated group" has the meaning provided in Section 1504 of the Internal Revenue Code, except that the ownership percentage in Section 1504(a)(2) of the Internal Revenue Code shall be determined using fifty percent (50%) instead of eighty percent (80%).

(2) "Directly related intangible interest expenses" means interest expenses that are paid to, or accrued or incurred as a liability to, a recipient if:

(A) the amounts represent, in the hands of the recipient, income from making one (1) or more loans; and

(B) the funds loaned were originally received by the recipient from the payment of intangible expenses by any of the following:

(i) The taxpayer.

(ii) A member of the same affiliated group as the taxpayer.

(iii) A foreign corporation.

(3) "Foreign corporation" means a corporation that is organized under the laws of a country other than the United States and would be a member of the same affiliated group as the taxpayer if the corporation were organized under the laws of the United States.

(4) "Intangible expenses" means the following amounts to the extent these amounts are allowed as deductions in determining taxable income under Section 63 of the Internal Revenue Code before the application of any net operating loss deduction and special deductions for the taxable year:

(A) Expenses, losses, and costs directly for, related to, or in connection with the acquisition, use, maintenance, management, ownership, sale, exchange, or any other disposition of intangible property.

(B) Royalty, patent, technical, and copyright fees.

(C) Licensing fees.

(D) Other substantially similar expenses and costs.

(5) "Intangible property" means patents, patent applications, trade names, trademarks, service marks, copyrights, trade secrets, and substantially similar types of intangible assets.

(6) "Interest expenses" means amounts that are allowed as deductions under Section 163 of the Internal Revenue Code in determining taxable income under Section 63 of the Internal Revenue Code before the application of any net operating loss deductions and special deductions for the taxable year.

(7) "Makes a disclosure" means a taxpayer provides the following information regarding a transaction with a member of the same affiliated group or a foreign corporation involving an intangible expense and any directly related intangible interest expense with the taxpayer's tax return on the forms prescribed by the department:

(A) The name of the recipient.

(B) The state or country of domicile of the recipient.

(C) The amount paid to the recipient.

(D) A copy of federal Form 851, Affiliation Schedule, as filed with the taxpayer's federal consolidated tax return.

(E) The information needed to determine the taxpayer's status under the exceptions listed in subsection (c).

(8) "Recipient" means:

(A) a member of the same affiliated group as the taxpayer; or

(B) a foreign corporation;

to which is paid an item of income that corresponds to an intangible expense or any directly related intangible interest expense.

(9) "Unrelated party" means a person that, with respect to the taxpayer, is not a member of the same affiliated group or a foreign corporation.

(b) Except as provided in subsection (c), in determining its adjusted gross income under IC 6-3-1-3.5(b), a corporation subject to the tax imposed by IC 6-3-2-1 shall add to its taxable income under Section 63 of the Internal Revenue Code:

(1) intangible expenses; and

(2) any directly related intangible interest expenses;

paid, accrued, or incurred with one (1) or more members of the same affiliated group or with one (1) or more foreign corporations.

(c) The addition of intangible expenses or any directly related intangible interest expenses otherwise required in a taxable year under subsection (b) is not required if one (1) or more of the following apply to the taxable year:

(1) The taxpayer and the recipient are both included in the same consolidated tax return filed under IC 6-3-4-14 or in the same combined return filed under IC 6-3-2-2(q) for the taxable year.

(2) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the item of income corresponding to the intangible expenses and any directly related intangible interest expenses was included within the recipient's income that is subject to tax in:

(i) a state or possession of the United States; or

(ii) a country other than the United States;

that is the recipient's commercial domicile and that imposes a net income tax, a franchise tax measured, in whole or in part, by net income, or a value added tax;

(B) the transaction giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient was made at a commercially reasonable rate and at terms comparable to an arm's length transaction; and

(C) the transactions giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as a principal purpose.

(3) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the recipient regularly engages in transactions involving intangible property with one (1) or more unrelated parties on terms substantially similar to that of the subject transaction; and

(B) the transactions giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as a principal purpose.

(4) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the recipient paid, accrued, or incurred a liability to an unrelated party during the taxable year for an equal or greater amount that was directly for, related to, or in connection with the same intangible property giving rise to the intangible expenses; and

(B) the transactions giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as a principal purpose.

(5) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the recipient is engaged in:

(i) substantial business activities from the acquisition, use, licensing, maintenance, management, ownership, sale, exchange, or any other disposition of intangible property; or

(ii) other substantial business activities separate and apart from the business activities described in item (i);

as evidenced by the maintenance of a permanent office space and adequate full-time experienced employees;

(B) the transaction giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient was made at a commercially reasonable rate and at terms comparable to an arm's length transaction; and

(C) the transactions giving rise to the intangible expenses and any directly related intangible interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as a principal purpose.

(6) The taxpayer and the department agree, in writing, to the application or use of an alternative method of allocation or appointment under section 2(l) or 2(m) of this chapter.

(7) Upon request by the taxpayer, the department determines that the adjustment otherwise required by this section is unreasonable.

(d) If the recipient is a foreign corporation, intangible expenses or directly related intangible interest expenses shall be considered to be at a commercially reasonable rate and at terms comparable to an arm's length transaction for purposes of subsection (c) if:

(1) the recipient is organized under laws of a country that has entered into a comprehensive income tax treaty with the

United States; and

(2) the intangible expenses or directly related intangible interest expenses meet the arm's length standards of United States Treasury Regulation 1.482-1(b).

(e) If intangible expenses or directly related intangible expenses are determined not to be at a commercially reasonable rate or at terms comparable to an arm's length transaction for purposes of subsection (c)(2) or (c)(5), the adjustment required by subsection (b) shall be made only to the extent necessary to cause the intangible expenses or directly related intangible interest expenses to be at a commercially reasonable rate and at terms comparable to an arm's length transaction.

SECTION 5. IC 21-3-1.7-9, AS AMENDED BY P.L.246-2005, SECTION 200, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)]: Sec. 9. (a) Subject to the amount appropriated by the general assembly for tuition support, the amount that a school corporation is entitled to receive in tuition support for a year is the amount determined in section 8.2 of this chapter.

(b) If the total amount to be distributed as tuition support under this chapter, in 2005 for enrollment adjustment grants under section 9.5 of this chapter (before its repeal), for academic honors diploma awards under section 9.8 of this chapter, in 2005 for supplemental remediation grants under section 9.9 of this chapter (before its repeal), for primetime distributions under IC 21-1-30, for special education grants under IC 21-3-2.1, and for vocational education grants under IC 21-3-12 for a particular year, exceeds:

(1) three billion seven hundred fifty-nine million three hundred thousand dollars (\$3,759,300,000) in 2005;

(2) the greater of:

(A) three billion ~~seven~~ ~~eight~~ ~~hundred~~ ~~fifty-four~~ ~~two~~ million ~~seven~~ ~~nine~~ hundred thousand dollars (~~\$3,754,700,000~~) (\$3,802,900,000) in 2006; or

(B) the amount necessary to enable the department of education to make tuition support distributions in 2006 in accordance with IC 21-1-30 and this article without requiring a reduction in the amount distributed for tuition support under this section; and

(3) three billion seven hundred forty-seven million two hundred thousand dollars (\$3,747,200,000) in 2007;

the amount to be distributed for tuition support under this chapter to each school corporation during each of the last six (6) months of the year shall be proportionately reduced so that the total reductions equal the amount of the excess. The amount of the reduction for a particular school corporation is equal to the total amount of the excess multiplied by a fraction. The numerator of the fraction is the amount of the distribution for tuition support that the school corporation would have received if a reduction were not made under this section. The denominator of the fraction is the total amount that would be distributed for tuition support to all school corporations if a reduction were not made under this section. **However, the department of education shall distribute the full amount of tuition support to school corporations in the second six (6) months of 2006 in accordance with IC 21-1-30 and this article without a reduction under this section."**

Page 2, line 25, delete "one hundred thirty-six" and insert "fifteen".

Page 2, line 25, delete "five hundred thousand".

Page 2, line 26, delete "(\$136,500,000)" and insert "(\$15,000,000)".

Page 3, line 13, delete "forty" and insert "fifteen".

Page 3, line 14, delete "(\$40,000,000)" and insert "(\$15,000,000)".

Page 3, line 19, delete "\$15,667,060" and insert "\$5,875,147".

Page 3, line 20, delete "10,795,022" and insert "4,048,133".

Page 3, line 21, delete "2,399,680" and insert "899,880".

Page 3, line 22, delete "1,225,670" and insert "459,626".

Page 3, line 23, delete "4,077,062" and insert "1,528,899".

Page 3, line 24, delete "1, 190,030" and insert "446,262".

Page 3, line 26, delete "4,645,476" and insert "1,742,053".

Page 3, line 27, delete "\$40,000,000" and insert "\$15,000,000".

Page 4, after line 20, begin a new paragraph and insert:

"SECTION 8. [EFFECTIVE JULY 1, 2005 (RETROACTIVE)]

(a) There is appropriated to the department of education the

greater of the following from the state general fund for the purposes of making the distributions for tuition support described in IC 21-3-1.7-9, as amended by this act, beginning July 1, 2005, and ending June 30, 2006:

(1) Twenty million one hundred thousand dollars (\$20,100,000).

(2) An amount sufficient to enable the department of education to make tuition support distributions after December 31, 2005, and before July 1, 2006, in accordance with IC 21-1-30 and IC 21-3 without requiring a reduction in tuition support distributions to school corporations in the first six (6) months of 2006.

The amount appropriated under this SECTION is in addition to the amount appropriated by P.L.246-2005, SECTION 9 to the department of education for distribution for tuition support but is subject to the terms and conditions specified in P.L.246-2005, SECTION 9 for the distribution for tuition support.

(b) The deficiency appropriation made by this SECTION is not subject to transfer to any other fund or subject to transfer, assignment, or reassignment for any other use or purpose by:

(1) the state board of finance, notwithstanding IC 4-9.1-1-7, IC 4-13-2-23, or any other law; or

(2) the budget agency, notwithstanding IC 4-12-1-12 or any other law.

SECTION 9. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1, IC 6-1.1-20.9, and IC 6-1.1-21 apply throughout this SECTION.

(b) A taxpayer that is eligible for a homestead credit under IC 6-1.1-20.9 in 2006 is eligible for an additional child welfare relief credit under this SECTION in 2006. The amount of the additional child welfare relief credit to which the taxpayer is entitled equals the product of:

(1) twelve percent (12%); multiplied by

(2) the amount of the individual's property tax liability, as that term is defined in IC 6-1.1-21-5, that is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of the property tax replacement credit under IC 6-1.1-21.

(c) A county auditor:

(1) may apply the entire amount of the additional child welfare relief credit granted by this SECTION equally to all installments of property taxes first due from the taxpayer in 2006; or

(2) if application of the credit to the first installment would delay the delivery of tax statements more than thirty (30) days after the date that the tax statements would otherwise be mailed or transmitted, may issue revised tax statements and apply the entire credit to the property tax due in a later installment.

IC 6-1.1-22.5-6 does not apply if the county auditor elects to proceed under subdivision (2). The department of local government finance may prescribe procedures to apply the additional child welfare relief credit to tax statements. A county auditor shall comply with the procedures prescribed under this subsection.

(d) The property tax replacement fund board shall provide for an additional distribution to taxing units from the property tax replacement fund to replace revenue lost to a county as the result of the granting of additional child welfare relief credits under this SECTION. The distribution shall be made on the schedule determined by the property tax replacement fund board. To the extent possible, the property tax replacement fund board shall make distributions under this subsection at the same time distributions of homestead credits and other property tax replacement credits are made. A distribution under this subsection is not subject to any law limiting the maximum amount that may be distributed under IC 6-1.1-21. The amount distributed under this subsection is not included in the amount used to determine the minimum amount that must be distributed or maximum distribution that may not be exceeded under IC 6-1.1-21.

(e) This subsection applies to a taxpayer in an allocation area that would be eligible for an additional credit under any of the

following:

- (1) IC 8-22-3.5-10.
- (2) IC 36-7-14-39.
- (3) IC 36-7-14-39.5.
- (4) IC 36-7-15.1-26.5.
- (5) IC 36-7-15.1-35.
- (6) IC 36-7-15.1-56.
- (7) IC 36-7-30-25.
- (8) IC 36-7-30-27.
- (9) IC 36-7-30.5-30.
- (10) IC 36-7-30.5-32.
- (11) IC 36-7-32-18.

As used in this subsection, "designating body" refers to the governing body permitted to reduce an additional credit otherwise granted in an allocation area to which a provision described in subdivisions (1) through (8) applies. Subject to this subsection, a taxpayer that is entitled to an additional credit on the taxpayer's homestead in an allocation area is entitled to a supplemental credit under this subsection. The amount of the supplemental credit is equal to the amount necessary to give the taxpayer the same total credit that the taxpayer would have received if the taxpayer's tangible property were not located in an allocation area. The supplemental credit reduces the amount of proceeds allocated to the district where the allocation area is located and paid into an allocation fund. A designating body may reduce the amount of the supplemental credits granted in an allocation area in the same manner and for the same reasons that the designating body is permitted to reduce an additional credit in the allocation area. The department of local government finance may prescribe procedures to use to apply a supplemental credit to tangible property in an allocation area. A county auditor shall comply with the procedures prescribed under this subsection.

(f) This SECTION expires January 1, 2007.

SECTION 10. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "taxable year" has the meaning set forth in IC 6-3-1-16.

(b) IC 6-3-2-20, as added by this act, applies only to taxable years beginning after June 30, 2006.

(c) The addition of IC 6-3-2-20, as added by this act, does not affect the legitimacy or illegitimacy of deductions claimed by taxpayers for taxable years beginning before July 1, 2006. Any determination of:

- (1) the department of state revenue; or
- (2) a court reviewing a department of state revenue determination;

of the legitimacy or illegitimacy of deductions claimed by taxpayers for taxable years beginning before July 1, 2006, shall be made without regard to IC 6-3-2-20, as added by this act.

(d) The department of state revenue may adopt temporary rules in the manner provided for the adoption of emergency rules under IC 4-22-2-37.1 to implement IC 6-3-2-20, as added by this act, and IC 6-3-1-3.5, as amended by this act. A temporary rule adopted under this SECTION expires on the earliest of the following:

- (1) The date a rule is adopted by the department of state revenue under IC 4-22-2 that repeals, amends, or supersedes the temporary rule.
- (2) The date another temporary rule is adopted under this SECTION that repeals, amends, or supersedes a previously adopted temporary rule.
- (3) The date specified in the temporary rule.
- (4) July 1, 2007.

SECTION 11. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to SB 345 as reprinted January 31, 2006.)

and when so amended that said bill do pass.

Committee Vote: yeas 22, nays 0.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Economic

Development and Small Business, to which was referred Engrossed Senate Bill 382, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

BORROR, Chair

Report adopted.

RESOLUTIONS ON FIRST READING

House Concurrent Resolution 53

Representatives Grubb, Richardson, Robertson, and Bosma introduced House Concurrent Resolution 53:

A CONCURRENT RESOLUTION honoring Senator Richard Lugar in his efforts to safeguard the American people from the threat posed by weapons of mass destruction throughout the world.

Whereas, The collapse of the Soviet Union brought a unique problem to the citizens of the world;

Whereas, This was the first time that a nuclear nation had suddenly broken apart, and nuclear, chemical, and biological weapons command and control programs collapsed;

Whereas, The United States faced the grim possibility that weapons previously held in secure Soviet facilities and technology previously restricted to the Soviet military could be stolen or sold to the highest bidder;

Whereas, Senator Lugar and Senator Nunn worked diligently to develop a plan that would safeguard the welfare of the citizens of the former Soviet Union and the rest of the world and reduce the threat posed by the proliferation of weapons of mass destruction;

Whereas, The Nunn-Lugar Cooperative Threat Reduction Program uses money from the United States defense budget every year and allocates it to help the states of the former Soviet Union eliminate and safeguard nuclear weapons and other weapons of mass destruction;

Whereas, The Nunn-Lugar Cooperative Threat Reduction Program is not foreign aid and more than 80% of the funds are awarded through contracts to American companies;

Whereas, The goal of the Nunn-Lugar Cooperative Threat Reduction Program is to lessen the threat posed by weapons of mass destruction, to deactivate and destroy these weapons, and to assist former weapons experts to find long-term, peaceful employment;

Whereas, In 1997, Senators Lugar and Nunn were joined by Senator Pete Domenici in introducing the Defense Against Weapons of Mass Destruction Act;

Whereas, This act expanded Nunn-Lugar Cooperative Threat Reduction Program authorities in the former Soviet Union and provided defense against weapons of mass destruction expertise and equipment to first responders in 120 American cities;

Whereas, The city of Indianapolis and Marion County received first-responder training and equipment under the Nunn-Lugar-Domenici Defense Against Weapons of Mass Destruction Program in 1998, and Fort Wayne and Allen County received training and equipment in 2000;

Whereas, In 2003, Congress adopted the Nunn-Lugar Expansion Act authorizing the Nunn-Lugar Program to operate outside the former Soviet Union to address proliferation threats; and in October 2004, Nunn-Lugar Program funds were used for the first time outside of the former Soviet Union to destroy 16 tons of chemical weapons in Albania;

Whereas, Since its inception in 1991, the Nunn-Lugar Cooperative Threat Reduction Program has helped to deactivate 6,760 nuclear warheads; destroyed 590 missile silos, 32 mobile missile launchers, 150 strategic bombers, 789 air-to-surface nuclear missiles, 549 submarine launched missiles, 436 submarine missile launchers, and 28 strategic missile submarines; and sealed 194 nuclear test tunnels;

Whereas, The countries of Ukraine, Belarus, and Kazakhstan emerged from the Soviet Union as the third, fourth, and eighth

largest nuclear powers in the world, and today they are free of nuclear weapons because of the Nunn-Lugar Cooperative Threat Reduction Program;

Whereas, Still striving to reduce the threat posed by the proliferation of weapons of mass destruction throughout the world, Senator Richard Lugar has offered legislation with Senator Barack Obama;

Whereas, Senator Lugar invited his Democratic colleague to join his annual trip to inspect weapons storage and elimination sites in Russia, Ukraine, and Azerbaijan;

Whereas, Senator Obama joined Senator Lugar in proclaiming the need for urgency to prevent stockpiles of nuclear, biological, and conventional weapons from falling into the hands of terrorists;

Whereas, During their trip to the former Soviet Union, Senators Lugar and Obama witnessed first hand the progress the Nunn-Lugar Cooperative Threat Reduction Program is making in improving the safety and security of nuclear warheads, the consolidation and security improvements at biological pathogens storage facilities, and the elimination of mobile intercontinental ballistic missile launchers;

Whereas, Senators Lugar and Obama recently introduced legislation aimed at eliminating stockpiles of conventional weapons such as shoulder-fired missiles that terrorists have used to attack commercial aircraft, fuel civil wars in Africa and elsewhere, and ammunition to attack peacekeepers and aid workers seeking to stabilize and rebuild war-torn societies;

Whereas, The Lugar-Obama legislation also seeks to strengthen the ability of America's friends and allies to detect and interdict illegal shipments of weapons of mass destruction or material that could be used in nuclear, chemical, or biological weapons and to build a robust international network for stopping the proliferation of these weapons; and

Whereas, The efforts of Senator Richard Lugar to eliminate stockpiles of weapons of mass destruction and conventional weapons transcends politics; Senator Lugar, Senator Nunn, Senator Domenici, and Senator Obama work to resolve the real problems facing our nation and the world in a bipartisan effort to make all people safer from the terrorist threat: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly acknowledges the efforts of Senator Richard Lugar in making the world a safer place and promoting cooperative solutions to the world's problems.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Senator Lugar, Senator Nunn, Senator Domenici, and Senator Obama.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Hershman.

ENGROSSED SENATE BILLS ON THIRD READING

Engrossed Senate Bill 11

Representative Burton called down Engrossed Senate Bill 11 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning business and other associations.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 229: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 40

Representative Duncan called down Engrossed Senate Bill 40 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 230: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 41

Representative T. Brown called down Engrossed Senate Bill 41 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 231: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 42

Representative Frizzell called down Engrossed Senate Bill 42 for third reading:

A BILL FOR AN ACT concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 232: yeas 95, nays 2. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 55

Representative Buell called down Engrossed Senate Bill 55 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 233: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 57

Representative Buell called down Engrossed Senate Bill 57 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 234: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 58

Representative Buell called down Engrossed Senate Bill 58 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass? Representative Austin was excused from voting, pursuant to House Rule 46.

Roll Call 235: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed

to inform the Senate of the passage of the bill.

Engrossed Senate Bill 69

Representative Koch called down Engrossed Senate Bill 69 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 236: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 71

Representative Dodge called down Engrossed Senate Bill 71 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 237: yeas 76, nays 22. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 72

Representative Borrer called down Engrossed Senate Bill 72 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 238: yeas 81, nays 17. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 77

Representative Heim called down Engrossed Senate Bill 77 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 239: yeas 80, nays 17. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 84

Representative Foley called down Engrossed Senate Bill 84 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 240: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 85

Representative Buell called down Engrossed Senate Bill 85 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass? Representative Dvorak was excused from voting, pursuant to House Rule 46.

Roll Call 241: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 100

Representative Whetstone called down Engrossed Senate Bill 100 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning gaming and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 242: yeas 73, nays 25. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 102

Representative Foley called down Engrossed Senate Bill 102 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning probate.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 243: yeas 98, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 106

Representative Walorski called down Engrossed Senate Bill 106 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 244: yeas 97, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 114

Representative Foley called down Engrossed Senate Bill 114 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning probate.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 245: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

OTHER BUSINESS ON THE SPEAKER'S TABLE

HOUSE MOTION

Mr. Speaker: I move that House Rule 117.2 be suspended on Monday, February 27, 2006, so that a motion is eligible for second reading if it is time stamped at least one hour prior to the convening of the session.

WHETSTONE

The motion, having been adopted by a constitutional majority, prevailed.

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Monday, February 27, 2006 at 10:00 a.m.

TORR

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Ayres, Bauer, Bell, Bischoff, Borders, Borrer, C. Bottorff, Bright, T. Brown, Buck, Budak, Buell, Burton, Cherry, Cochran, Crouch, Davis, Denbo, Dodge, Duncan, Espich, Foley, Frizzell, Goodin, Grubb, Gutwein, T. Harris, Heim, Hinkle, Hoffman, Hoy, Koch, Kuzman, Lehe, Leonard, J. Lutz, Mays, McClain, Messer, Micon, Murphy, Neese, Noe, Pelath, Pflum, Pond, Reske, Ripley, Robertson, Ruppel, Saunders, J. Smith, Stutzman, Thomas, Thompson, Tincher, Torr, Tyler, Ulmer, Walorski, Whetstone, Wolkins, Woodruff, and Yount be added as coauthors of House Resolution 1.

FRIEND

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Noe be added as coauthor of House Resolution 22.

ORENTLICHER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative T. Harris be added as cosponsor of Engrossed Senate Bill SB 5.

ULMER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as cosponsor of Engrossed Senate Bill SB 75.

BORROR

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three cosponsors and that Representative Goodin be added as cosponsor of Engrossed Senate Bill SB 105.

DUNCAN

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Porter be added as cosponsor of Engrossed Senate Bill SB 172.

BEHNING

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Thomas be added as cosponsor of Engrossed Senate Bill SB 193.

FOLEY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Dvorak and Bright be added as cosponsors of Engrossed Senate Bill SB 247.

RUPPEL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Thomas and Crouch be added as cosponsors of Engrossed Senate Bill SB 300.

FOLEY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Day be added as cosponsor of Engrossed Senate Bill SB 341.

BUCK

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Mays be added as cosponsor of Engrossed Senate Bill SB 342.

MESSER

Motion prevailed.

On the motion of Representative Ripley, the House adjourned at 7:05 p.m., this twenty-third day of February, 2006, until Monday, February 27, 2006, at 10:00 a.m.

BRIAN C. BOSMA

Speaker of the House of Representatives

M. CAROLINE SPOTTS

Principal Clerk of the House of Representatives